

LEADING AND TRANSFORMING CANCER RESEARCH AND CARE IN CENTRAL FLORIDA

BASIC SCIENCE • CLINICAL TRIALS • EDUCATION



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GENERAL PROJECT DESCRIPTION

First and foremost, Florida Hospital's mission requires excellence in every aspect of health care. Importantly, our strategic plan known as Vision 2020, completed in 2013, emphasized research and education as pillars of our Vision. Research often provides early access to breakthrough therapies, develops knowledge which we see as critical to innovation in healthcare, develops and disseminates more efficacious treatments, enables prevention of disease and reduces the overall cost of care. With the completion of the visioning process we immediately activated strategic planning and strategic investments in these areas.

Important to this discussion, in 2014 the Florida Hospital Board approved a new investment in Cancer to identify a NCI partner and achieve NCI Center designation through new investments in Research and faculty recruiting. This Strategic Initiative led us to entrain key advisors and explore potential NCI partners. As noted previously, we believe that a partnership will accelerate the pace of our advancement and bring both hope and life-saving cancer treatments to Central Florida much more quickly. In late 2015, we began discussions with Moffitt Cancer Center, the only NCI Comprehensive Cancer Center based in the State of Florida.

Early in 2017, Florida Hospital expressed interest in the facility to SBP and made formal contact with SBP leadership. During the past 12 months, Florida Hospital completed an in-depth due diligence effort that allowed for the development of a strategic plan to best utilize the existing infrastructure, assets and employees as intended while creating value and return on investment for Central Florida.

Detailed below is the Florida Hospital plan to bring world-class cancer research and care to Central Florida.

Plan for the Site

Utilization of Existing Infrastructure

The foundation for the Florida Hospital plan is to leverage the existing infrastructure, scientific talent, and state/local investment in research with an infusion of new capital and new partnerships to revitalize the site and bring world-class cancer research and care to Central Florida.

The current facility is divided into two partitions. Reception, cafeteria and administrative offices are housed in the west-facing section, referred to as the "front building." This two-floor section will house the Phase 1 Clinical Research Unit for testing investigational cancer therapies and the Precision Medicine Research Clinic. The "back building" is comprised of three floors and houses the basic science functions of the facility. The first floor contains the animal vivarium and drug discovery suites. Floors two and three house the basic research and core scientific laboratories.

Go-Forward Strategy

The proposed business model is based on deep knowledge of Florida Hospital and a partnership with Moffitt Cancer Center, both leaders in the fields of cancer care and research in the State of Florida, as well as an understanding of the needs of our community. Florida Hospital and Moffitt Cancer Center are the #1 and #2 providers of cancer care in Florida, treating more than 20,000 cancer cases each year. The implementation of the designed plan focuses on five core programs. These programs will target novel breakthrough therapies for cancer patients and will be modeled on the existing Phase I Program at Moffitt Cancer Center in Tampa. All of these programs are scheduled to be operational within 12 months of the close date (2 of the 5 will be operational on Day 1).

a. Basic and Translational Research (*Florida Hospital*)

Timeline: Operational Day 1

The original goal of the Lake Nona footprint was to expand the biomedical sector of our economy, not simply provide standard-of-care chemotherapy, radiation therapy, and proton-beam therapy. The Basic and Translational Research plan builds on the existing research infrastructure to (i) create new methods of care in a research environment; (ii) discover and develop new drugs for cancer; and (iii) foster spinoffs and attract biotechnology and biopharmaceutical investments in Central Florida. The focus will be on recruiting expert cancer scientists and building collaborative multidisciplinary teams with pharmaceutical industry experience. The discovery cycle will be shortened by learning from the patients and clinical researchers in the adjacent clinical research facility.

b. Precision Medicine Research Clinic/Clinical Genomics (*Florida Hospital and Moffitt Cancer Center*)

Timeline: Q1 2019

This program will utilize ~10,000 square feet of renovated space to enroll cancer patients into clinical research protocols who are at the highest risk of progression or poor response to therapy. Cutting-edge molecular and genetic testing will be utilized to enroll patients in research studies and provide an opportunity to tailor cancer therapy to the individual. The focus will be on emerging immunotherapies that show great promise for a wide variety of tumors. Long-term site planning includes radiation oncology and the supportive services to deliver this care to patients and research participants. Together Moffitt Cancer Center, an international leader in cancer genomics (see www.ORIENcancer.org), and Florida Hospital have determined that availability of genomic/precision medicine to more cancer patients in Central Florida should be a top priority to reduce disease and save lives. The plan rapidly achieves this goal. Secondly, the theme for the basic, translational, and clinical research will focus on immunotherapy as it is commonly understood that Immunotherapy is the leading cancer treatment. Both Florida Hospital and Moffitt Cancer Center have dozens of immunotherapy research protocols under way today. Last, the affiliation will leverage our partner's nationwide network for clinical genomics research matching patients to potentially life-saving clinical trials. The genomics platform will be a key component in the clinical research offerings at Lake Nona.

c. Phase I Clinical Research (*Florida Hospital and Moffitt Cancer Center*)

Timeline: Q1 2019

This 10,000-square-foot research and clinical care unit provides access to breakthrough treatments through Phase I clinical trials and research protocols not currently available in Central Florida focusing on the latest innovations in immunotherapy.



d. Drug Discovery (Florida Hospital)

Timeline: Operational Day 1

The Florida Hospital research plan leverages the state and stakeholder investments in state-of-the-art drug discovery robotics and related equipment by continuing the drug discovery effort at Lake Nona with a pivot to cancer as the dominant theme. These capabilities will be intertwined with the basic, translational, and clinical research at the site to accelerate the discovery-to-treatment process and bring new therapies to patients. This asset will be appropriately structured to attract both industry and academic partners; discussions are already in progress. Florida Hospital has extensive partnerships with both blue-chip pharmaceutical industry and academic leaders. Importantly, the Florida Hospital plan allows for the retention of a number of existing talented scientific researchers and prevents job loss as a result of the exit of SBP. Importantly, these resources will be available to biotechnology organizations and academic institutions with a priority placed on Florida-based partners.

e. Stem Cell Laboratory (Florida Hospital)

Timeline: Q4 2018

The program will expand the number of Central Florida residents who can be treated near home and will advance the development of novel immunotherapies such as Chimeric Antigen Receptors (CAR-T), an immunotherapy technology for use against leukemia. The program will be one of only 40 in the United States.

	2018				2019				2020			
Proposed Programs by FH	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1. Basic and Translational Research	Operational											
2. Precision Medicine Research Clinic	Permitting and Construction				Operational							
3. Phase 1 Clinical Research	Permitting and Construction				Operational							
4. Drug Discovery	Operational											
5. Stem Cell Laboratory	Permitting and Construction			Operational								

Dates included in table are contingent upon expedient stakeholder approval.

The Florida Hospital plan will use the existing Lake Nona site to impact cancer care within our combined networks and will attract patients from outside the state of Florida. **The plan includes the development of an I-4 Corridor/Clinical Trial Network with the network headquarters to be based at the Lake Nona site.**

Building Renovation

Renovations and permits are scheduled to commence at the beginning of 2018. Based on projected timelines, the renovations around the Stem Cell Program are expected to last nine months, and renovations for the Precision Medicine and Phase 1 Clinical Research Programs are expected to take approximately 12 months. As we look to fully utilize the land, potential long-term plans include research imaging, radiation oncology treatment equipment (LINAC) and parking. Florida Hospital has a dedicated facility management team that has partnered with RS&H architectural design team to create blueprints and build timelines to meet the needs of the facility and our Moffitt Cancer Center Affiliation. The primary focus of the renovations will be in the front building, and, will not impact ongoing basic research and drug discovery operations of the back building.

Plan Sustainability

Investment

Florida Hospital anticipates investing \$100 million over 10 years with no accrued debt, and there is no external funding (debt, State, City, County or Tavistock Group) required for the plan. The initial investment for renovations of the building is budgeted to be \$2.7 million and originally committed to the project beginning Dec. 1, 2017 and onward. Florida Hospital has also committed an additional \$2 million to \$3 million in yearly capital expenditures to support the infrastructural needs of the basic research and drug discovery laboratories.

Florida Hospital will employ a blended revenue model to support the operations of the facility. As reinforced by the success of the Translational Research Institute for Metabolism and Diabetes at Florida Hospital, a mix of grants (i.e. National Institutes of Health, Foundations), contracts (pharmaceutical/biotechnology industry), and fee-for-service scientific core laboratory support (e.g. DNA sequencing, drug discovery campaigns) will provide the operating revenue to support the faculty, scientific, operational and administrative staff for the facility. We will engage our extensive roster of strategic corporate partners to provide input and serve as advisors to the facility.

Florida Hospital-Moffitt Cancer Center will leverage their foundations and grateful patient donor networks to support the operations of the site. The proposed Cancer Center aligns with the core mission of Florida Hospital and the Moffitt Cancer Center and creates new opportunities to enhance the existing partnership between the hospital and our community.

Site Management and Creation of New Jobs

The Florida Hospital and Moffitt Cancer Center affiliation will create a collaborative, rigorous and sustainable plan with financials and projections based on established business principles and decades of experience and the unique needs and understanding of our communities, cutting-edge science, and excellence in cancer research and clinical care. This plan will minimize the risk to the stakeholders and state by maintaining and growing as many jobs as possible in the near term. An organizational structure will be employed to leverage the organizations' collective experience in scientific, administrative and research operations. Key scientific leadership and scientific subject matter expertise from the current SBP site will be retained to allow for management, maintenance and growth of the scientific research cores and drug discovery platforms. Florida Hospital administrative leaders will work collaboratively with scientific leadership to drive principles of fiscal accountability into the research operation. The partners have a clear understanding of the staff needed to support the facility and ensure it remains operational and financially efficient.

As part of the completed due diligence, Florida Hospital estimates that the proposed strategy will create at least 205 jobs by year 5, and 315 jobs over 10 years. Importantly, the jobs created will be in the private sector and therefore not burden the state payroll. The average base salary of jobs created will be \$84,946 (total \$113,905 including fringe benefits). Included in these job numbers are existing SBP staff who will be hired immediately after the close of the asset transfer. We anticipate



employing approximately 50 SBP employees hired from day one of operations, including highly trained individuals within the basic and drug discovery laboratories who will ensure a smooth transition and speed the pace of cancer drug discovery. In addition to these numbers, 8 contracted technical staff currently employed at the facility will be retained. Aligned with the Florida Hospital model of research administration, key administrative and support personnel will be retained to plug into the existing Florida Hospital

research infrastructure. We will engage in good faith negotiations to retain current research faculty and their teams. The Florida Hospital plan will grow research faculty to 18 by year 5 and 27 by year 10.

In addition to the jobs that are directly sourced from the site plan, Florida Hospital has committed additional resources to the Lake Nona community including a Health Park strategy that will include approximately 200 new jobs. Teconomy Partners LLC projects for every one direct job created in the Florida scientific research and development sector (includes biomedical), an additional 1.55 jobs are created throughout the rest of the state economy owing to indirect (supply chain) and induced (employee spending) impacts, a total of 520 jobs by year 5.

Benefits of Proposed Plan

Our plan offers new approaches and treatments currently not available for cancer patients in Central Florida. Further, it will lead to a new NCI Consortium Cancer Center designation, the first in Central Florida; providing private sector jobs, attracting new pharmaceutical industry investment, partnerships and spin-offs, and making Medical City in Lake Nona a hub for destination medicine without the infusion of any new state dollars or local stakeholder.

During the announcement of Moffitt Cancer Center's NCI Designation in 2016, Gov. Rick Scott stated, "Since 2014, we have invested \$180 million in Florida's top cancer research centers to improve cancer care and create a premier top cancer research network in Florida. We will continue working to make Florida the best state for cancer research and treatment."

Florida Hospital will provide the opportunity to revitalize the facility, invigorate Medical City, and protect the investments made by the citizens of Central Florida and the Tavistock Group. The economic impact will be significant for Central Florida and the Lake Nona region, and cancer care will improve patient care for the growing population. Finally, this affiliation brings together the two largest cancer providers in the state to discover, develop, and commercialize breakthrough therapies for all types of cancer.

This strategy positions Central Florida as a worldwide destination for cancer care and will facilitate future business and job growth in the area. Further, bringing world class cancer research expertise to the region while allowing for the administrative and clinical management to remain local, thus preventing the loss of senior scientific investigators and their teams, who have demonstrated track records of performance in their respective cancer research areas.



Other cancer centers throughout the United States have positioned themselves to partner with prominent companies and universities to deliver superior scientifically-based cancer care to patients. Since 1908, Florida Hospital has been an established and trusted partner delivering excellence to the County, City and State of Florida. This history provides stakeholders assurance commitments will be fulfilled and residents of Central Florida will benefit through innovative solutions to healthcare needs and a financial return on taxpayer investment.

QUESTIONNAIRE ANSWERS

Economic Development

1. Provide a schedule detailing the number of jobs that will be created, the job categories (research, administrative, marketing, etc.), the average wage for each job category, and when these jobs will be created. Also, indicate whether you are willing to guarantee the jobs schedule.

As part of the completed due diligence for the research site, Florida Hospital is confident the proposed strategy will create at least 205 jobs by year 5, and 315 jobs by year 10. Importantly, the jobs created will be in the private sector and therefore not burden the state, county or city payrolls. The average base salary of jobs will be \$84,946 (total \$113,905 including fringe benefits). In addition to the jobs that are directly sourced from the site plan, Florida Hospital has committed additional resources to the Lake Nona community including a healthcare strategy that will include approximately 200 new jobs. TEconomy Partners LLC projects for every one direct job created in the Florida scientific research and development sector (includes biomedical), an additional 1.55 jobs are created throughout the Orange County economy (employment multiplier 3.18 for the State) owing to indirect (supply chain) and induced (employee spending) impacts, for a total of 520 jobs in Orange County (650 for the State) by year 5.

	Base Line	Year 1	Year 2	Year 3	Year 4	Year 5	Average Salary	Average Total Comp
Faculty + teams	16	21	26	32	38	44	\$102,162.00	\$136,989.03
Science	27	32	39	60	64	67	\$84,134.00	\$112,815.28
Admin	12	18	40	49.5	52.5	57.5	\$70,339.00	\$94,317.57
Facilities	6	6	6	6	6	6	\$68,605.00	\$91,992.44
Clinical	0	4	31	31	31	31	\$92,525.00	\$124,066.77
Total at Year End	61	81	142	178.5	191.5	205.5	\$84,946.49	\$113,904.75

2. Describe your plans for the employees currently working for SBP at the Lake Nona facility.

Included in these job numbers above are existing SBP staff who will be hired immediately after the close of the asset transfer. We anticipate employing approximately 50 SBP employees hired from day one of operations, including highly trained individuals within the basic and drug discovery laboratories who will ensure a smooth transition and speed the pace of cancer drug discovery. In addition to these numbers, 8 contracted technical staff currently employed at the facility will be retained. Key administrative and support personnel will be retained to plug into the existing Florida Hospital Research Institute. Last, negotiations will be in good faith to retain current research faculty and their teams, ensuring key talent and their work stays in Central Florida.

3. Does your proposal contemplate the creation of private cluster companies (spin-offs, attraction of out-of-region and out-of-state companies)? If so, provide details. Also, are you willing to guarantee the creation of private cluster companies?

Yes, Florida Hospital is committed to the investment and research operating plan provided in this proposal. Coupled with the existing research and clinical infrastructure in the Florida Hospital Research Institute, we anticipate meeting or exceeding the national averages of indirect impact including technology licenses and generation of cluster companies in Central Florida.

Biomedical research centers and institutions, like research universities, often generate significant commercialization outcomes in the form of technology licenses, patents, and startups. These outcomes require significant intellectual and financial resources as well as time to develop, particularly for a new facility or site getting up and running. These aspects are especially important in the life sciences where the science and regulatory contexts can involve particularly long development timelines and challenging pathways to the market.

The Association of University Technology Managers (AUTM) includes health research/biomedical research institutions in its annual surveys. Data from AUTM’s most current 2016 survey, which includes responses from 25 leading institutions such as the Mayo Clinic, Cleveland Clinic, St. Jude’s Children’s Research Hospital, and Dana Farber Cancer Institute is applied to our estimates of research occurring at and being leveraged by the Lake Nona Research Site, estimating the following potential outcomes relative to the size of research expenditures:







Patents	8 by year 5	22 by year 10
Licenses	10 by year 5	27 by year 10
Start-ups	1 by year 5	2 by year 10

These figures are provided for some insights into potential expected commercialization outcomes for the facility over time, and relative to its research base. While the Lake Nona facility is a new endeavor and will take time to begin to generate its own research portfolio, the operations will leverage the sizable, existing research base of both Florida Hospital and Moffitt Cancer Center. While the objective or expectation at Lake Nona is to secure up to \$50 million in research over its first 10 years, this ability to leverage the home institutions could increase the overall volume of activity and speed the time to commercialization outcomes in line with, or perhaps ahead of these averages.

In addition, Florida Hospital Research Partnerships (FHRP), IQFlorida, Florida Hospital Innovation Lab (FHIL), and Alliance and Innovation eXchange (AIX) support and supplement traditional research to increase the odds of startup formation and success leveraging Florida Hospital’s research capabilities and new funding models. This research and innovation ecosystem bridges the gap between basic research and patient-oriented commercial products and models, opening the door to new opportunities.

4. Describe any other economic development benefit. How will the project bring additional resources to Central Florida and/or contribute to economic development? For example, will you bring NIH grants or other investments to the county?

Research Operations at the Lake Nona site will employ a blended model of revenue including RO1 funding packages from the National Institutes of Health (NIH), Pharmaceutical and Biotech-partnerships and study-specific contracts, and service-level agreements with local, state and national partners for Core Research Services including Genomics, Histology, Nuclear Magnetic Resonance, Animal Phenotyping and Drug Discovery.

Direct Impact		Total Impact	
Employment (Job Years) 	2,152	Employment (Job Years) 	5,247
		Wages and Benefits 	\$394M
Operating Expenditures 	\$438M	Economic Output 	\$881M
		State and Local Taxes 	\$20M

As part of Florida Hospital's due diligence, we commissioned TEconomy Partners LLC to perform an economic impact analysis of this site. Results (10-year) show economic output to be \$881 million. Further results of this study are shown in the chart on the previous page.

As evidence of Florida Hospital's track record of contributing to economic development through the launch of a clinical and translational research site, a report by the Orlando Economic Development Commission confirmed the Translational Research Institute contributed an estimated \$36.8 million of economic impact to the tri-county area in 2014.

Recoupment/Return of Taxpayer/Private Investment

1. Is the project proposal for the ownership transfer of the research facility or a long-term lease? If the proposal is for the ownership transfer of the research facility, then provide details of when the transfer would occur and under what terms and conditions.

We have entered into an asset transfer agreement with SBP that transfers the building and equipment to Florida Hospital. Closing of the asset transfer agreement is contingent upon local stakeholder approval.

Florida Hospital will acquire the building from SBP and the transfer of the building and equipment will occur on or before April 16, 2018. We are agreeable to further discussions with the County to reach a mutually beneficial decision for all stakeholders.

2. Describe the proposed financial terms:

a. Does proposal include a rent payment? If so, provide the amount, length of term, renewal option(s) and annual escalators.

The Florida Hospital proposal includes a transfer of the building and equipment and does not include a rent payment. Florida Hospital will ensure none of the typical landlord costs accrue to Orange County or any stakeholder by fully funding all capital and operational costs associated with the building and the 12 acres of land including, without limitation, the cost associated with the building's roof repair and replacement; all maintenance; HVAC repair and replacement; electrical and plumbing issues; parking lot maintenance and resurfacing; drainage and landscape repairs and replacement; building and parking lot lighting; insurance; etc. For example, chilled water annual expense of \$1 million.

b. If rent will be paid, what is the proposed rent commencement date?

The commencement date of Florida Hospital paying for all capital and operational costs will be the effective date of the warranty deed which will be on or before April 16, 2018.

c. Describe any other direct payments for the use of the research facility.

Florida Hospital will create private sector jobs; pay private sector wages; and pay all capital and operational costs, relieving Orange County from all landlord financial burdens; accordingly, no additional payments are required. We are agreeable to further discussions with the County to reach a mutually beneficial decision for all stakeholders.

d. Does your proposal contemplate returning the approximate remaining \$11 million of state funding?

Yes. Florida Hospital has been proactively working with the Florida Department of Economic Opportunity and will return the remaining approximately \$11 million of state funding to the DEO.

e. Will the project be revenue producing? If so, what revenues are anticipated to be generated annually by the project? Provide a five year pro-forma.

Florida Hospital will employ a blended revenue model to support the operations of the facility. As reinforced by the success of the Translational Research Institute for Metabolism and Diabetes at Florida Hospital, a mixed blend of grants (i.e. National Institutes of Health, Foundations), contracts (pharmaceutical/biotechnology industry), and fee-for-service scientific core laboratory support (e.g. DNA sequencing, drug discovery campaigns) will provide the operating revenue to support the faculty, scientific, operational and administrative staff for the facility. We will engage our extensive roster of strategic corporate partners to provide input and serve as advisors to the facility.

Florida Hospital-Moffitt Cancer Center will also leverage their foundations and grateful patient donor networks to support the operations of the site. The proposed Cancer Center aligns with the core mission of Florida Hospital and the Moffitt Cancer Center and creates new opportunities to enhance the existing partnership between the hospital and our community.

		2018	2019	2020	2021	2022
Revenue	Basic and Translational Research*	\$4,908,381	\$6,615,421	\$14,057,801	\$17,897,050	\$20,380,764
	Phase 1 Clinic and Precision Medicine	\$0	\$11,212,241	\$13,116,759	\$16,138,408	\$19,737,492
	Other income	\$30,000	\$0	\$0	\$0	\$0
	Total	\$4,938,381	\$17,827,662	\$27,174,560	\$34,035,458	\$40,118,256
Expense	Basic and Translational Research*	\$11,031,487.54	\$12,149,277.38	\$15,769,802.16	\$18,185,789.47	\$19,879,626.50
	Phase 1 Clinic and Precision Medicine	\$0	\$9,545,322	\$10,522,977	\$12,025,735	\$13,857,098
	Admin & Bldg	\$6,947,304	\$6,187,519	\$6,493,172	\$6,804,939	\$7,122,941
	Ancillary & Support	2,099,965.85	6,382,595.87	6,854,922.20	6,989,875.54	7,112,473.68
	Total	\$20,078,757	\$34,264,714	\$39,640,874	\$44,006,339	\$47,972,139
EBDIT		(\$15,140,376)	(\$16,437,052)	(\$12,466,313)	(\$9,970,881)	(\$7,853,883)

*Includes Faculty, Scientific Cores, Drug Discovery

*EBDIT will be offset by FH Foundation Support and Florida Hospital

3. How much state and local taxes are anticipated to be generated by the project?

a. Provide the calculations and assumptions for these estimates.

The Florida Hospital plan for the research site at Lake Nona will generate a total of \$20.05M in state and local taxes (\$81.8M in federal taxes) during its first ten year of operation (this includes estimated direct, indirect and induced fiscal impacts).

Impact Type	Employment (Job Years)	Labor Income (\$ in Millions)	Output (\$ in Millions)	State/Local Tax Revenue (\$ in Millions)	Federal Tax Revenue (\$ in Millions)
Direct Effect	2,152	\$236.81	\$437.55	\$1.58	\$44.16
Indirect Effect	1,491	\$82.23	\$221.10	\$7.53	\$19.32
Induced Effect	1,604	\$74.48	\$222.03	\$10.94	\$18.32
Total Impacts	5,247	\$323.53	\$880.68	\$20.05	\$81.80
Multiplier	2.44	1.66	2.01		

Economic Impact of the Florida Hospital – Lake Nona Research Site on Orange County, FL (2018-2027)

As part of our due diligence, TEconomy Partners, LLC was commissioned to provide analysis of the economic impact of the Florida Hospital Research Plan to Central Florida and the State of Florida.

Methodology and Assumptions (provided by TEconomy Partners, LLC)

TEconomy Partners, LLC used an economic input-output (I/O) model to analyze the relationships between Florida Hospital's operation of a biomedical research and clinical care facility and other industries and actors in the regional and state economy. These relationships are linked through employment and expenditures. Florida Hospital will directly employ individuals and have operational expenditures that generate business for other companies in the region via its supply chain and other demands. In addition, its employees will generate demand for goods and services through their personal spending in the local economy.

Economic impact or I/O models measure three types of impacts:

- **Direct effects:** the direct employment and other economic activity generated by a firm or industry sector's operations and expenditures;
- **Indirect effects:** the economic activity generated for supplier firms by the target firm or industry sector, and
- **Induced effects:** the additional economic activity generated by the personal spending of the direct employees and the employees of the supplier firms in the overall economy.

The sum of these three effects is referred to as **total economic impact**. TEconomy Partners, LLC estimated the total economic impact of Florida Hospital's plans for the site using regional I/O models available from IMPLAN. IMPLAN is one of the most widely used and respected I/O software platforms and develops highly detailed models representing 536 economic sectors at the national, state, and county levels.¹

TEconomy Partners, LLC analyzed projected annual employment, payroll/compensation, and operating expenditures data provided by Florida Hospital. Based on the dual use and focus of the site, the modelling approach uses an aggregation of two sectors from IMPLAN's model—Scientific R&D and Outpatient Care

Centers. TEconomy Partners, LLC used the IMPLAN system to develop impact estimates for the two regions of Central Florida as well as the State. This analysis focuses on impacts across three economic measures:

- **Employment.** The total number of full- and part-time jobs in all industries;
- **Personal Income.** The wages and salaries, including benefits, earned by the workers holding the jobs created; and
- **Output.** The total value of production or sales in all industries.

Additionally, the IMPLAN model allows for a high-level estimation of tax revenues generated by the economic activity at a combined state/local level and at a federal level specific to the tax climate and rates within the region and State of Florida. These tax revenues include estimates of a variety of corporate and personal tax payments, including both the employer and employee portions of social insurance taxes.

For any non-profit operations, especially those with internal funding mechanisms such as operational subsidies or endowments, the use of total expenses, as opposed to total revenue, is the correct measure for estimating economic impacts as operational expenditures or “output” can at times surpass external revenue streams. Additionally, TEconomy Partners, LLC makes the necessary adjustments to tax revenue estimates to account for the non-profit status of Florida Hospital.

b. Are you willing to guarantee these estimates?

The Florida Hospital plan for the research site at Lake Nona will generate a total impact of \$20.05M in state and local taxes during its first ten (10) years of operation. Florida Hospital is committed to the research plan in this proposal and anticipate generating economic outputs that meet or exceed those modeled by TEconomy Partners, LLC.

Research Lab Facility

1. What investments will be necessary to achieve your vision for the project? How much funding will be invested and who will provide the investments? And are you able to provide verification of funding prior to any vote by the partners?

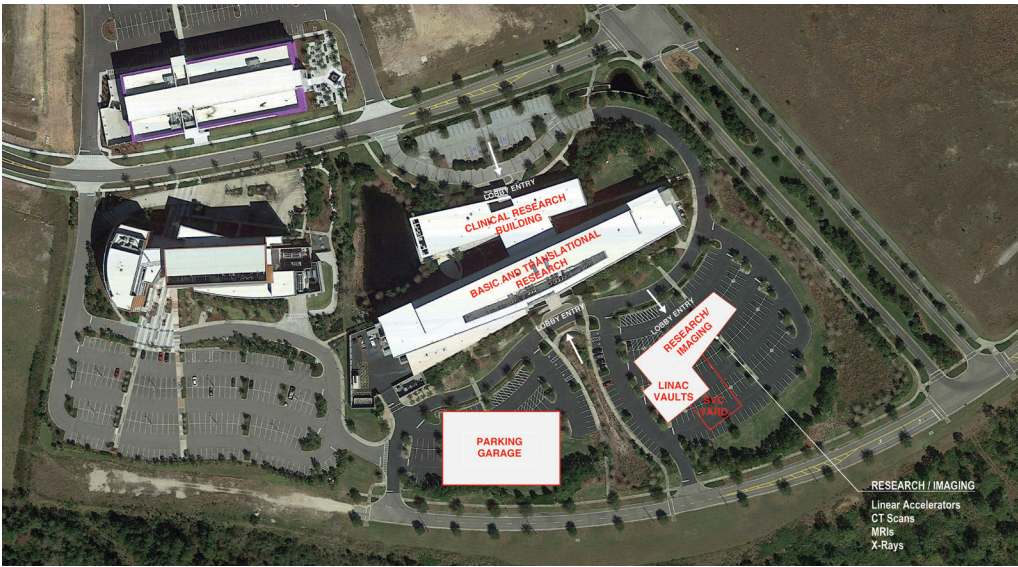
Florida Hospital anticipates investing \$100 million over 10 years with no accrued debt, and there is no external funding (debt, State, City, County or Tavistock Group) required for the plan. The initial investment for renovations of the building is budgeted to be \$2.7 million and is committed to the project beginning Dec. 1, 2017 and onward. Florida Hospital has also committed an additional \$2 million to \$3 million in yearly capital expenditures to support the infrastructural needs of the basic research and drug discovery laboratories. Combined, Florida Hospital has committed over \$120 million in operational and capital expenditures for the project over 10 years. Yes, we are able to provide verification of funding prior to any vote.

2. What building modifications are you planning to make to the research facility?

The primary focus of the renovations will be in the front building and will not impact ongoing research operations of the back building. Renovations and permits are scheduled to commence at the beginning of 2018. Based on projected timelines, the renovations around the Stem Cell Program are expected to last nine months and

¹IMPLAN provides the ability to combine county-level data into models that represent a specific geographic area, such as a Metropolitan Statistical Area.

renovations for the Precision Medicine and Phase 1 Clinical Research Programs are expected to take approximately 12 months and include Investigational Pharmacy, Phlebotomy, Infusion, Tumor Board functionality, and Tissue collection and processing. Florida Hospital has a dedicated facility management team that has partnered with RS&H architectural design team to create blueprints and build timelines to meet the needs of the facility and our partner.



As we look to fully utilize the land, potential long-term plans include research imaging, radiation oncology treatment equipment (LINAC) and parking.

3. What standard of maintenance of the facility will you adhere to?

Florida Hospital has a proven track record of managing more than 75 facilities in the Central Florida area and is well positioned to extend our current expertise in maintaining this as a flagship research facility.

In our due diligence, we have developed a comprehensive understanding of the facility and maintenance teams including the identification of 30 existing vendor contracts, maintenance history and timelines for the \$980,000 of major site improvements.

We will continue the existing maintenance and upkeep operations schedule to protect the stakeholders’ investment in the land and building.

4. What plans do you have regarding the FF&E that currently exists in the building?

To ensure good stewardship and governance of the equipment, Florida Hospital commissioned Deloitte to complete an analysis of the fair value of 173,000 +/- square foot research facility at Lake Nona, fee simple interest and/ or leasehold interest in twelve (12) acres of land underlying the research building, and verification of the medical testing and laboratory equipment above an estimated cost new of \$50,000. Using a combination of cost and market approaches, the current value of the assets at the site:

Research Building (Main Facility)	\$51,190,000
Site Improvements	\$980,000
Land, 12 acres at 6400 Sanger Rd	\$2,400,000
FF&E	\$24,449,150

The Florida Hospital research plan leverages the state and stakeholder investments in state-of-the-art drug discovery robotics and related equipment by continuing the basic research and drug discovery efforts at Lake Nona with a pivot to cancer as the dominant theme. Service contracts tied to the research equipment have been reviewed and incorporated into the site pro forma. These capabilities will be intertwined with the basic, translational, and clinical research at the site to accelerate the discovery-to-treatment process and bring new therapies to patients. This asset will be appropriately structured to attract both industry and academic partners; discussions are already in progress.

Other Benefits to Community

1. How will the project enhance and distinguish Central Florida?

Florida Hospital's plan also offers new approaches and treatments currently not available for cancer patients in Central Florida. Further, it will lead to a new NCI Consortium Cancer Center designation, the first in Central Florida; providing private sector jobs, attracting new pharmaceutical industry investment, partnerships and spin-offs, and making Medical City in Lake Nona a hub for destination medicine. Other cancer centers throughout the United States have positioned themselves to partner with prominent companies and universities to deliver superior scientifically-based cancer care to patients. When executed correctly, this can be accomplished for the Central Florida community. This strategy will position Central Florida, Florida Hospital and Lake Nona as the destination for cancer research and care and facilitate future business and job growth in the area.

During the announcement of Moffitt's NCI Designation in 2016, Gov. Rick Scott stated, "Since 2014, we have invested \$180 million in Florida's top cancer research centers to improve cancer care and create a premier top cancer research network in Florida. We will continue working to make Florida the best state for cancer research and treatment."

The Florida Hospital plan leverages and independently supports those investments without any new state dollars.

2. How will the project otherwise benefit residents of Central Florida?

The Florida Hospital-Moffitt Cancer Center affiliation will provide the opportunity to revitalize the facility, invigorate Medical City, and protect the investments made by the citizens of Central Florida, the State of Florida and Tavistock Group. The economic impact will be significant for Central Florida and the Lake Nona region, and cancer care will improve patient care for the growing population. Bringing world class cancer research expertise to Central Florida will allow for the administrative and clinical management to remain local, and prevent the loss of senior scientific investigators, and their teams, who have demonstrated track records of performance in their respective cancer research area.

The Central Florida community will also benefit from Florida Hospital's focus on community partnership and involvement. In 2016, Florida Hospital had a total community benefit of \$453M, \$41M of which was in cash and in-kind community contributions. In that spirit, it is Florida Hospital's hope that with a helping hand, our communities and neighbors will prosper and be nurtured to greatness.

3. Provide financial statements for any proposed tenant and any proposed guarantor.

Florida Hospital will employ a blended revenue model to support the operations of the facility. As reinforced by the success of the Translational Research Institute for Metabolism and Diabetes at Florida Hospital, a mixed blend of grants (i.e. National Institutes of Health, Foundations), contracts (pharmaceutical/biotechnology industry), and

fee-for-service scientific core laboratory support (e.g. DNA sequencing, drug discovery campaigns) will provide the operating revenue to support the faculty, scientific, operational and administrative staff for the facility. We will engage our extensive roster of strategic corporate partners to provide input and serve as advisors to the facility.

Florida Hospital-Moffitt Cancer Center will also leverage their foundations and grateful patient donor networks to support the operations of the site. The proposed Cancer Center aligns with the core mission of Florida Hospital and the Moffitt Cancer Center and creates new opportunities to enhance the existing partnership between the hospital and our community.

Adventist Health System - Florida Division Hospitals

Combining Balance Sheet

December 31, 2016

	Florida Hospital	Florida Hospital Zephyrhills, Inc.	Florida Hospital Heartland Medical Center	Florida Hospital Wauchula	Southwest Volusia Healthcare Corporation	Memorial Hospital – West Volusia, Inc.	Florida Hospital Memorial Medical Center and Florida Hospital – Oceanside
<i>(dollars in thousands)</i>							
ASSETS							
Current Assets							
Cash and cash management deposits	\$ 1,794,785	\$ 108,394	\$ 85,013	\$ 399	\$ 111,396	\$ 63,437	\$ 133,977
Investments	—	395	—	—	—	200	—
Current portion of assets whose use is limited	156	10	10	—	10	5	25
Patient accounts receivable, net	40,269	186	—	3,265	3,322	2,815	5,009
Estimated settlements from third parties	5,455	95	437	148	29	31	—
Other receivables	346,483	8,855	12,751	10,104	12,075	9,259	18,555
Inventories	85,737	4,055	4,668	90	2,860	1,755	7,556
Prepaid expenses and other current assets	14,676	1,401	1,930	173	1,490	1,728	5,265
	<u>2,287,561</u>	<u>123,391</u>	<u>104,809</u>	<u>14,179</u>	<u>131,182</u>	<u>79,230</u>	<u>170,387</u>
Property and Equipment	2,057,383	65,519	74,752	4,424	64,493	65,975	264,997
Assets Whose Use is Limited, net of current portion	2,247	149	150	—	141	75	362
Other Assets	50,695	3,034	8,488	—	2,190	2,099	26,601
	<u>\$ 4,397,886</u>	<u>\$ 192,093</u>	<u>\$ 188,199</u>	<u>\$ 18,603</u>	<u>\$ 198,006</u>	<u>\$ 147,379</u>	<u>\$ 462,347</u>
LIABILITIES AND NET ASSETS							
Current Liabilities							
Accounts payable and accrued liabilities	\$ 248,964	\$ 12,081	\$ 13,463	\$ 288	\$ 8,802	\$ 6,789	\$ 15,694
Estimated settlements to third parties	55,585	1,587	4,444	1,665	4,017	2,214	3,258
Other current liabilities	78,762	5,170	14,298	—	3,715	2,842	7,525
Short-term financings	30,751	2,032	2,054	—	1,932	1,029	4,959
Current maturities of long-term debt	27,551	1,808	1,827	—	1,718	915	4,827
	<u>441,613</u>	<u>22,678</u>	<u>36,086</u>	<u>1,953</u>	<u>20,184</u>	<u>13,789</u>	<u>36,263</u>
Long-Term Debt, net of current maturities	805,996	53,217	53,789	—	50,594	26,943	131,509
Other Noncurrent Liabilities	31,334	—	226	165	4	72	310
	<u>1,278,943</u>	<u>75,895</u>	<u>90,101</u>	<u>2,118</u>	<u>70,782</u>	<u>40,804</u>	<u>168,082</u>
Net Assets							
Unrestricted	3,029,471	115,949	97,405	15,908	126,227	105,975	289,793
Temporarily restricted	89,472	249	693	577	997	600	4,472
	<u>3,118,943</u>	<u>116,198</u>	<u>98,098</u>	<u>16,485</u>	<u>127,224</u>	<u>106,575</u>	<u>294,265</u>
Commitments and Contingencies							
	<u>\$ 4,397,886</u>	<u>\$ 192,093</u>	<u>\$ 188,199</u>	<u>\$ 18,603</u>	<u>\$ 198,006</u>	<u>\$ 147,379</u>	<u>\$ 462,347</u>

Miscellaneous

1. Describe any current or past involvement with the facility and/or SBP?

As part of the initial recruitment of the Burnham Institute, Florida Hospital committed to the governor and the local stakeholders to support the basic science at Burnham by developing a clinical translational research effort at Florida Hospital. This initial written commitment grew to become the Translational Research Institute for Metabolism and Diabetes (TRI-MD).

Florida Hospital has an active partnership [affiliation agreement] with the Sanford Burnham Prebys Medical Discovery Institute (SBP). This agreement provides the framework for each partner to prosper their respective research programs: Florida Hospital provides expertise in clinical-translational studies and SBP provides state-of-the-art Core resources. Together, the bedside-to-bench-and-back approach resulted in joint NIH grants & industry contracts, numerous publications, and industry partnerships. Many of our faculty are jointly appointed at TRI-MD and SBP, Lake Nona.

Florida Hospital's original investment includes the building and capital (~\$30 M), start-up funds to hire faculty, and base research infrastructure support. The TRI-MD is healthy and currently employs 90+ with over \$8 million per year in research grants and contracts. TRI-MD was recently awarded a center grant from the NIH and has the largest NIH funded clinical research program in Central Florida with over 30 clinical research protocols open at any given time.

2. Have you entered into any agreements with SBP with respect to the transfer of this facility? If so, list out each agreement along with the terms and conditions of each agreement and any financial payments required.

SBP and Florida Hospital have been in discussions since February 2017 for a potential arrangement for Florida Hospital to take over management and control of the SBP biomedical research facility so that biomedical research will continue at the Lake Nona site under the leadership of a Florida-based entity that is well qualified and financially able to continue the operations that SBP started in 2007. SBP is grateful for the financial support from the original funding parties, namely the state of Florida, Orange county, the city of Orlando, and Tavistock, that has enabled SBP **to successfully establish and operate the Lake Nona biomedical research facility during the past decade; and SBP is confident that Florida Hospital is well qualified, able and willing to continue to with such operations.**

After many months of due diligent investigation by both SBP and Florida Hospital, both parties entered into a confidential agreement for SBP to make a transfer to Florida Hospital of all of SBP's interests in the Lake Nona assets, conditional upon obtaining approvals from the four original funding parties and related termination/release of the original agreements from 2006-2007. Such asset transfer agreement provides for SBP to refund to the state the approximately \$11 million of state funds that have not yet been spent, and for SBP to transfer to Florida Hospital all other funds that have been earned or received for the Lake Nona operations after all accrued expenses and obligations for the Lake Nona operations have been satisfied. Both SBP and Florida Hospital are ready to consummate this gift transfer transaction on an expedited time schedule within approximately two weeks after the above described condition is satisfied.

3. Describe any anticipated synergy between your proposed uses for the facility and the existing Lake Nona Medical City.

We anticipate continued and deepening relationships and partnerships with residents of Medical City. Florida Hospital offers clinical research training opportunities to the University of Central Florida Medical Student Program and currently collaborates on translational research collaborations in oncology. We partner with colleagues at the UF

Research and Academic Center at Lake Nona and anticipate additional synergies in the areas of Pharmacology and Pharmacogenomics with an emphasis on training and in vitro and in vivo modeling.

Facility	Anticipated Synergy
Nemours Children’s Hospital	Research-based collaborations in Pediatrics
UCF School of Medicine	Clinical research training opportunities
UF Academic and Research Center	Training and modeling in Pharmacology and Pharmacogenomics
GuideWell Innovation	Collaborative work to support incubation efforts

4. Describe plans and timeline to become an NCI Designated Comprehensive Cancer Center.

Florida Hospital is well positioned to execute the requirements for NCI designation:

- Florida Hospital enrolls more than 1,900 (700 interventional and 1,200 observational) cancer patients into clinical trials annually.
- Florida Hospital is one of the most experienced radiation oncology programs in Florida and accredited by the American College of Radiology (ACR) for quality.
- Florida Hospital clinicians perform more than 130 adult bone marrow transplants annually, and accredited by the Foundation for Accreditation of Cellular Therapy (FACT) for quality.
- Florida Hospital is the world leader in robotic prostatectomy, utilizing Central Florida’s first da Vinci® Surgical System.
- More than 10,000 cancer surgeries are performed annually at Florida Hospital.

In collaboration with its NCI partner, Florida Hospital will establish a highly unique consortium that effectively utilizes all aspects of the Sanford Burnham site.

Several basic principles apply to consortium arrangements in the context of the NCI designation:

- 1. Florida Hospital adds strategic value to the research mission of the cancer center consortium.*** Florida Hospital is especially strong in cancer care (largest volume in the State of Florida), clinical and translational research, and is the largest Medicare institution in the United States. This creates opportunities for cancer genomics and epidemiological research platforms important for differentiated consortium grant application to the NIH.
- 2. Florida Hospital contributes continuing tangible commitments to the Cancer Center, including financial support, protected research time for physicians, leadership position, strategic planning priorities and physical space.*** The Lake Nona site provides an optimal physical space for our already committed funding, protected time for investigators and programmatic development for strategic planning.
- 3. The Site will serve as the focal point for creating one cohesive cancer center.*** Florida Hospital and its partner continue to integrate efforts with research and collaborate on investigational research.

4. As Florida Hospital establishes its consortium center status, formal agreements have already or will establish:

- A process for resolution of differences at the highest levels of institutional leadership,
- A single Protocol Review and Monitoring System and Data and Safety Monitoring Institutional Plan governing cancer clinical trial protocols across all partner institutions,
- An integrated planning and evaluation process that enables achievement of the center's research goals, (e.g. identification of future recruitment needs, shared resources; and other activities),
- Ongoing, tangible institutional commitments to the cancer center from all consortium partners. These commitments will be appropriate to the nature of the consortium and may be demonstrated in a number of ways, including financial and in-kind contributions based on agreed upon formulas, housing and funding of cancer center cores, accrual to center-wide trials, active representation and engagement of members in Cancer Center Programs and committees, etc.

5. Our NCI partner will provide access to membership in formal scientific Programs and leadership positions in the center.

6. Florida Hospital has reasonable access to shared resources as required by the NCI.

7. Florida Hospital is in active recruitment of a Scientific Center Director to lead Florida Hospital's component of the Consortium and provide local oversight of investments in research made by FH into NCI supported shared resources.

Florida Hospital's posting for a Center Director can be found at: <https://www.floridahospitalcareers.com/job/7860892/scientific-director-nci-strategy-orlando-orlando-fl/>

NCI Center grants are renewed every 4 years. Following execution of associated agreements and through the partnership between Florida Hospital and its partner, access to NCI designation resources will begin immediately. Florida Hospital scientific and administrative leadership has already met with NCI leadership in Bethesda, MD, to review its plan to apply for consortium center designation.

Florida Hospital has a strong track record of not only meeting, but exceeding requirements of accrediting bodies such as the NCI. Florida Hospital is currently accredited as an Academic Comprehensive Cancer Program by the American College of Surgeons Commission on Cancer. In its 2017 review, the American College of Surgeons recognized Florida Hospital's research program with "Commendation", the highest rating. In addition, Florida Hospital is currently certified by the American Society of Clinical Oncology's (ASCO) Quality Oncology Practice Initiative for quality in medical oncology, and accredited by the National Accreditation Program for Breast Centers (NAPBC) for excellence in breast cancer care.

Florida Hospital is in a uniquely strong position to pursue NCI Consortium Status. The Florida Cancer Data System reports that Florida Hospital treats the most cancer patients in the State of Florida.

5. Describe philanthropic fundraising plans

The Florida Hospital Foundation has pledged its full support behind the proposed plan to bring a world-class NCI designated Cancer Center to Central Florida and support the ongoing research being conducted at the Lake Nona facility. Foundation leadership have spoken to established donors and philanthropists to gauge interest in the proposed plan and there has been considerable interest from those parties. In addition to new fundraising efforts, the Foundation has allocated existing funds to support research operations, which has been built into the pro-forma.

The Florida Hospital Foundation has served Florida for 36 years and secures additional resources for the hospital's projects and initiatives. Working directly with others who share this dedication, the Foundation successfully completed a \$150M campaign in 2016.

6. What percentage of operations will be research versus clinical care?

100% of patients seen at the site will be invited to participate in precision medicine based research including discoveries, development and delivery studies. Research at the Lake Nona site aims to identify the needs of the patient and their families, develop an evidence based approach to meet those needs, develop predictive markers for prevention, diagnostic markers for treatment optimization and drug discovery and development. Research will also enable for programmatic survivorship and relapse management, and facilitate populations at risk through epidemiological data-driven studies. While the direct operational breakdown is modeled to be basic and translational (46%), therapeutic clinical trials (27%), drug discovery (17%), precision medicine and clinical genomics (6%), and stem cell laboratory (4%), in addition to administrative and general operations, every patient (100%) will be invited to participate in research.

At the Florida Hospital Lake Nona Cancer Research facility, **every patient will be given the opportunity to be a research participant**, providing access to the latest breakthroughs in research trials and cancer care. Bench-to-bedside discoveries will be enabled through seamless integration with the basic and translational researchers and facilities at the site and the Precision Medicine Research Clinic will serve as a destination or hub for patients with difficult to treat cancers.

Florida Hospital's investments to increase access to world class cancer treatment continue throughout Central Florida and do not depend upon removing the research infrastructure in the Lake Nona site in order to expand such access.



Qualifications

Provide information regarding the lead organization and partners' experience and capabilities needed to be successful in this project. Limit to 3 pages please.

Florida Hospital is uniquely qualified to assume responsibility for the Lake Nona site based on three key facts:

- I. Florida Hospital is committed to research and cancer care
- II. Florida Hospital has the existing infrastructure talent and track record to execute the vision
- III. Florida Hospital and Moffitt's un-rivaled experience and capabilities to deliver superior cancer care

I. Commitment

First and foremost, Florida Hospital's mission requires excellence in every aspect of health care. The 2013 Florida Hospital strategic plan, known as Vision 2020, embodies that commitment, and emphasized research and education as pillars of our Vision. Research often provides early access to breakthrough therapies, develops knowledge which we see as critical to innovation in healthcare, develops and disseminates more efficacious treatments, enables prevention of disease and reduces the overall cost of care. With the completion of the visioning process we immediately activated strategic planning and strategic investments in these areas.

In 2015 the Florida Hospital Board approved a new investment in Cancer to identify a NCI partner and achieve NCI Center designation through new investments in Research and faculty recruiting. This Strategic Initiative led us to entrain key advisors and explore potential NCI partners. As noted previously, we believe that a partnership will accelerate the pace of our advancement and bring both hope and life-saving cancer treatments to Central Florida much more quickly. In early 2016, we began discussions with Moffitt Cancer Center, the only NCI Comprehensive Cancer Center based in the State of Florida.

II. Infrastructure

Florida Hospital has the research infrastructure and talent to execute the plan for the research site at Lake Nona.

Resources and assets include:

- Over 2500 physicians on medical staff, 250+ conduct research
- 218 research staff including statisticians, physicists, highly trained nurses, ethicists, PhD scientists and other highly skilled research workers
- >500 research studies open at any given time
 - o >297 peer-reviewed manuscripts, a myriad of presentations at the national level
 - o We also spread this knowledge to local medical oncologists through physician education efforts on a regular basis.
- Our Institutional Research Board, the research ethics committee that oversees our research is nationally accredited.

Florida Hospital is a Designated Academic Teaching Hospital with a long culture of academics including Research, Education and Innovation. Our history in academics stretches back decades and preceded the founding of the UCF College of Medicine — which we supported and continue to support as one of their two medical student teaching hospitals. In addition, FH has 140 residents and fellows who are taught by our outstanding physicians. These physicians-in-training conduct research and process improvement projects as an integral part of their residency. As part of this overarching commitment to research and academics, we have dramatically expanded our research footprint and enhanced our investments in education. As tangible evidence of this commitment (*please note that Florida Hospital has more active clinical research protocols than any other central Florida health care provider including Orlando Health and UCF Health*).

We have recruited world-class talent to lead advancements including in cancer research and clinical care. For example, in the area of cancer we have recruited:

- Dr. Vip Patel – prostate cancer
- Dr. John Monson – Colorectal surgery
- Dr. Mark Socinski – Lung Cancer and Immunotherapy
- Dr. Pablo Arnoletti – pancreatic cancer
- Dr. Steven Goldstein – Malignant Hematology / BMT
- Dr. Tarek Mikhail – Lung Cancer and Immunotherapy
- Dr. Scott Magnuson – Head and Neck Cancer Surgery
- Dr. Robert Hawes – Interventional Endoscopy

The facility at Lake Nona will be integrated into an established portfolio of FH facilities that provide innovative care and research in Central Florida. Sites such as the ones listed below highlight Florida Hospital's experience in developing, managing, and promoting ground breaking work here in Central Florida.

Nicholson Center for Surgical Advancement

- The Nicholson Center (Featuring two locations onsite at hospitals in Celebration and Orlando) is a hands-on, living laboratory for health care advancement, devoted primarily to furthering the skills of health care professionals.
- The Nicholson Center trains more than 15,000 clinical learners each year on the most advanced clinical techniques. The Center is growing the next worldwide generation of clinical knowledge, technology and medical treatments.

Institute for Surgical Advancement and Dr. Steven Eubanks

- The Institute for Surgical Advancement (ISA) Prototype Lab is a creative space for physicians, researchers, engineers and other health care professionals to bring their ideas for development of medical equipment to life. The members of the ISA Prototype Lab team serve as assistants in making those medical device concepts a reality.

Translational Research Institute for Metabolism and Diabetes

- 54,000 sq feet of dedicated research space purposed to better understand the molecular underpinnings of Diabetes and Obesity. Facility includes faculty, scientific and clinical research staff, administration to support the execution of clinical studies sponsored by a blend of funders including; NIH, Pharma/Biotech, Foundation.

III. Results

Our program cares for more newly diagnosed cancer patients than any other hospital system in Florida.

- Accredited as an Academic Comprehensive Cancer Program by the American College of Surgeons Commission on Cancer
- One of the most experienced radiation oncology programs in Florida and accredited by the American College of Radiology (ACR) for quality
- Performing more than 130 adult bone marrow transplants annually, and accredited by the Foundation for Accreditation of Cellular Therapy (FACT) for quality
- The world leader in robotic prostatectomy, utilizing Central Florida's first da Vinci® Surgical System
- More than 10,000 cancer surgeries performed annually
- Certified by the American Society of Clinical Oncology's (ASCO) Quality Oncology Practice Initiative for quality in medical oncology
- Accredited by the National Accreditation Program for Breast Centers (NAPBC) for excellence in breast cancer care

Lastly, Florida Hospital has been committed to this project and facility for a considerable period of time. We have vetted the opportunity and built a strategic plan that not only creates value for the company, but also for the county, city, state and taxpayers. Florida Hospital has reviewed every aspect of the SBP business and made a sizeable investment into creating a plan for short and long terms success. As part of this process, we have worked hand-in-hand with consultants, legal teams, and stakeholders to identify how we can transform this facility into a beacon of growth and prosperity for Medical City. The final product is a plan that maintains the original intent of the building and adds to it, by creating a path towards a NCI designated facility in Central Florida.

Additional Information

Provide any additional information about your project, your organization and/or your partners that would be useful in our evaluation. Limit to 3 pages please.

Florida Hospital and the Adventist Health System

Florida Hospital Cancer Institute (FHCI) is the largest cancer center in Central Florida, recognized worldwide for its comprehensive, state-of-the-art care and reputation as a destination cancer care facility. Florida Hospital Cancer Institute is dedicated to providing patients with the latest treatments and technologies, managed by an experienced, knowledgeable team that utilizes a multidisciplinary approach to provide compassionate care that focuses on the best outcomes possible.

Significant new investments in cancer research began in January 2015 and are growing our research footprint and attracting new physicians with expertise across the cancer care continuum.

Florida Hospital was founded in 1908, and is the flagship of the Adventist Health System (AHS). Representing more than 70 percent of the company's operations and impassioned by the commitment to serve, Florida Hospital sees more than 1 million patient-visits each year, treats more Medicare patients than any other hospital, and based on admissions, is the busiest hospital in the United States.

The Adventist Health System was established in 1973 as a faith-based, not-for-profit health care organization with a tradition of whole-person health and caring for the physical, emotional and spiritual needs of every patient. Headquartered in Altamonte Springs, Fla., AHS is comprised of 45 hospital campuses made up of 80,000 employees and physicians. Today, with more than 8,300 licensed beds in nine states, AHS facilities incorporate the latest technological advancements and clinical research to serve more than 5 million patients annually.

Moffitt Cancer Center

Moffitt Cancer Center is a nonprofit cancer treatment and research center located in Tampa, Fla. Established in 1981 by the Florida Legislature, the hospital opened in October 1986, on the University of South Florida campus. Moffitt Cancer Center is the only NCI Comprehensive Cancer Center based in the State of Florida. This coveted distinction, given to only 49 centers in the country, recognizes Moffitt Cancer Center as one of the top institutions developing and translating scientific discoveries into new and promising treatments for cancer patients. Today, research at Moffitt Cancer Center includes more than 150 investigators organized around five scientific programs—all with an emphasis on translation to the clinic. Overall, the NCI noted that Moffitt Cancer Center is an important regional and national resource for cancer research and care, and continues to grow. In 2016, U.S. News & World Report ranked Moffitt Cancer Center as the No. 6 cancer hospital in the nation.

Importance of an NCI Designation

In 1971, the National Cancer Act established the Cancer Centers branch of the NCI, thereby formalizing the establishment of NCI-designated cancer centers. Although NCI designations are awarded based on research, there is evidence that these centers have better outcomes than non-designated cancer centers as they are involved in both basic and clinical research with the goal of moving novel therapies and technologies from bench to bedside.

According to the NCI Web site, each year approximately 250,000 patients receive their cancer diagnosis at an NCI-Designated Comprehensive Cancer Center and an even larger number of patients are treated for cancer at these centers which ultimately leads to an increase in the number of cancer survivors in the United States. There are only 69 NCI Cancer Centers in the United States that study and control cancer as well as provide patient treatment. Further, the NCI issues grants to support investigator-initiated research, to conduct clinical trials, foster excellence in research across a broad spectrum of medical concerns relative to cancer. Last, NCI designated centers provide training for health care teams, providers and scientists that ensure the development of a strong work force of cancer professionals.



APPENDIX

Exhibit A - Letter of Support, Moffitt Cancer Center

Exhibit B - Building Renovations

Exhibit C - Florida Hospital Foundation

Exhibit D - Strategic Partners

Exhibit A

MOFFITT LETTER OF SUPPORT



ALAN F. LIST, M.D.
PRESIDENT & CEO
FRANK AND CAROL MORSANI CHAIR

October 20, 2017

P 813-745-7101
F 813-745-3090

ALAN.LIST@MOFFITT.ORG

Mr. Daryl Tol
Senior Executive Vice President
President/CEO, Florida Hospital & Central Florida Division
550 E Rollins Street
Orlando, FL 32803

Re: Discussions with Florida Hospital

Dear Daryl,

On behalf of Moffitt Cancer Center, I am pleased to provide this letter of support regarding our ongoing discussions with Florida Hospital about joining together in a new cancer research effort in Lake Nona.

Today, Moffitt is ranked as one of the top 10 cancer centers in the nation, and we are the only Florida-based institution that is designated by the National Cancer Institute as a comprehensive cancer center. Moffitt was created by the state to serve all citizens of Florida to impact cancer outcomes. These discussions with Florida Hospital represent an opportunity to bring advanced research and clinical trials to Central Florida, thereby bringing unique and complex care closer to patients and easing their burden of travel.

We are enthusiastic about Moffitt and Florida Hospital collaborating to conduct and deliver clinical trials, develop phase I drugs and provide tertiary oncology services.

Sincerely,

A handwritten signature in blue ink, appearing to read "Alan List", written in a cursive style.

Alan F. List, M.D.
President and CEO

BUILDING RENOVATIONS



FLORIDA HOSPITAL FOUNDATION



FLORIDA HOSPITAL
Foundation

The skill to heal. The spirit to care.®

550 E. Rollins Street, 6th Floor
Orlando, FL 32803
TEL 407.303.2784
FAX 407.303.2781

October 26, 2017

To whom it may concern:

In partnership with generous philanthropists, the Florida Hospital Foundation is dedicated to the great purpose of healing and enriching lives in Central Florida and beyond.

The Florida Hospital Foundation works tirelessly to engage the community with the mission of the hospital. The Foundation has served Florida for over 36 years and secures additional resources for the hospital's projects and initiatives. Working directly with others who share this dedication, the Foundation successfully completed a \$150 million campaign in 2016, providing a margin of excellence to healthcare available in our community.

After learning about Florida Hospital's proposed plan to bring a world-class NCI designated Cancer Center to Central Florida, the Foundation has thrown its full support behind the endeavor. This project would be well received by our donors and will drive philanthropic dollars to this new initiative. A big vision for personalized cancer treatment will inspire our generous community to rally around this project.

In conclusion, the Florida Hospital Foundation is firmly behind the proposed plan and excited about the opportunity to garner financial support from our community to build a world-class cancer research facility.

Sincerely,



David S. Collis, President
Florida Hospital Foundation

Exhibit D

FLORIDA HOSPITAL PARTNERS



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