

Continuum Labs, Inc. Year End Review

October 15, 2013



Hardee County
INDUSTRIAL DEVELOPMENT AUTHORITY



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Overview

- The Hardee County Industrial Development Authority entered in to contract on October 11, 2011 with LifeSync Technologies, LLC.
- A partnership was created for the development of the BlueWater application and the creation of a Technology Park with an initial investment of approximately \$2.5 million and a three year cumulative investment of \$7.25 million.
- In year one, LifeSync Technologies, LLC was awarded a total of \$2,557,852.00
- On September 12, 2012, LifeSync Technologies, LLC entered into an Asset Purchase Agreement with Continuum Labs, Inc.
- An Assignment and Modification Agreement between the Hardee County Industrial Development Authority, LifeSync Technologies, LLC and Continuum Labs, Inc. was finalized on October 9, 2012 assigning the obligations and commitments of the original IDA Grant to Continuum Labs, Inc.
- In year two, Continuum Labs, Inc. requested \$3.6 million but was awarded a total of \$3 million with the additional \$600K held in reserve.
- On July 11 2013, the IDA voted to amend the Mosaic Fund and award the additional \$600K.
- As of October 15, 2013, the IDA has disbursed \$3,701,266.86 to the Continuum Labs, Inc. / TechRiver project.
- The remaining balance from the original \$7.25 million is \$990,881.14.

Project Description

“This project is funded as a pilot Technology Center business operation and infrastructure creation. The technological expertise and acumen of the applicants is recognized as having a reasonable potential to develop and incubate economic diversity in Hardee County thru the development of “web based solutions” including application development, managing, securing, storing and sharing information. It is also recognized this project will necessitate the facilitation of supplementary capital needs and infrastructure development in/to ‘Continuum Labs, Inc.’ including additional job creation incentives/grants, building fiber optic cable installation and complementary broadband framework.”

Deliverable Assessment

Deliverable 4.1

Develop web-based solutions through assistance and training to be marketed to the public and supported by customer service personnel to be located in Hardee County

- ✓ Original focus of software development was more generalized and broad including not only the 'CareSync' product but also development of products such as 'Dashes' and 'Scoutware'
- ✓ In May 2013, Travis Bond announced that the entire focus of the Continuum Labs, Inc. staff would be shifted to concentrate solely on the development, marketing and sale of 'CareSync'
- ✓ April 26, 2013 – 'CareSync' General Web and Mobile Release
- ✓ Since the release, several updates have been made to the website and mobile version of the product
- ✓ Upper management staff continues to pursue commercial partnerships

Deliverable 4.2

Consult and assist in the development of a technological infrastructure for the purposes of creating a Technology Center to support operations and the development of software solutions. This Center shall initially be referred to as "Tech River Technology Park" and will incubate economic development expectations on the site previously occupied by the PRECO office staff

- ✓ Assisted in the design and engineering studies on data center feasibility
- ✓ Provided fiber connectivity costs and estimates
- ✓ Aided in the renovation of the PRECO site for multi-tenant purposes:
 - Layout and interior design
 - Future selection and placement
 - Engineer and coordination of installation for physical security system and digital video surveillance
 - Design and configure redundant AC and Internet
- ✓ Website development and maintenance of TechRiver Technology Park Website
- ✓ Classes -

Deliverable 4.3

Mark available investment opportunities within Hardee County, subject to all Federal rules and regulations

- ✓ Postponed

Deliverable 4.4

Recruit additional technology companies to co-locate within the Technology Center and/or the political boundaries of Hardee County

- Rapid Technical Services relocated business to TechRiver in September 2013
- Rapid Systems has not yet relocated

Deliverable 4.5

Continue to monitor market changes and opportunities related to data center development in Hardee County and to initiate economic development opportunities related to data processing, handling and storage, etc. when availed

- Data Vault Installed
- Rack Space Available
- Rapid Technical Services relocated business servers to TechRiver Data Center in September 2013
- Continues to market and promotes the TechRiver Data Center to new tenants and to other organizations outside of Hardee County. Recent expansion and ongoing engineering for VOIP, security access, secure internet faxing, and SMS along with a planned multi-terabyte storage array are planned for installation in the next 30 days
 - *Statement provided by Mr. Travis Bond*

Deliverable 4.6

Adhere to hiring practices that provide and prioritize employment opportunities to suitable Hardee County residents obtained by and through applications filed with Heartland Workforce and, otherwise, without prejudice

- Utilization of Heartland Workforce without exception

Deliverable 4.7

Recognize, support and effectuate the facilitation of job creation and economic diversity in Hardee County as a result of receiving funding from the IDA through this agreement. The initial job creation shall substantially be as follows...

- 15 current employees located in TechRiver
 - *Number provided by Mr. Travis Bond*

Deliverable 4.8

Provide by the 30th of each month during this agreement a draw request to the Hardee County Industrial Development Authority identifying categorical amounts related to funding agreement inclusive of the following categories and subject to amendment from time to time:...

- ✓ Reconciliation of bridge funding provided October 30, 2012
- ✓ Regular draw request, as per contract, have been received and provided each month since November 2012 through present

Deliverable 4.9

Provide at the regularly scheduled monthly meeting or any special meeting legally noticed during this agreement a detail of accomplishments and benchmarks related to the following, subject to mutual amendment from time to time...

- ✓ Contract was awarded in October 2012.
- ✓ Reports have been given at each board meeting beginning November of 2012 through present

Staff Recommendation

Staff proffers the following three options to the Hardee County Industrial Development Authority for discussion and direction:

- ✓ Order complete audit of previously distributed grant monies subject to redaction of information protected under F.S. 288.075 and continued funding based on a 100% match of the remaining IDA funding. The monthly distribution and corresponding match will have to be set after public discussion by the board.
- ✓ Order complete audit of previously distributed grant monies subject to redaction of information protected under F.S. 288.075 and discontinue the grant funding but continue disbursements in the form of a loan/note accompanied with reasonable collateral. Once the audit is completed to the satisfaction of the IDA, consideration for conversion of the loan/note proceeds to grant funding will be possible. Additionally, a corresponding draw schedule related to disbursement of money under these conditions will have to be approved by the board.
- ✓ Order complete audit of previously distributed grant monies subject to redaction of information protected under F.S. 288.075 and postpone funding until completion of the audit and further direction by the IDA.