

Hardee County Economic Development Council/Industrial Development Authority
Regular Meeting Minutes
October 11, 2016
Hardee County BOCC

Vanessa Hernandez- Chair-P
Gene Davis- Vice Chair-P
Dottie Conerly-A

Diana Youmans-P
John O'Neal-P
Lory Durrance-P

Monica Reas-P

The meeting was called to order by Chair Hernandez.

Visiting: Terry Atchley, Jessica Newman, Bruce Stayer, Marie Lambert, David Royal, Charlie Cox, Sharon Moye, Rhonda Cole, Virginia Brown, Halton Peters and Zak Zachary.

County Attorney: Ken Evers

County Commissioners: Mike Thompson, Sue Birge, Russ Melendy and Colon Lambert

Press: Michael Kelly

Staff: Bill Lambert, Sarah Pelham and Kristi Schierling

Agenda: Director Lambert asked to adjust the agenda. Attorney update will be 5a and EDA Request will be 5b. CRA discussion will become 6a and Hidden Creek will move to 6b.

Gene Davis made a motion and was seconded by Monica Reas to approve the agenda with the changes. Motion passed unanimously.

Minutes: Monica Reas made a motion and was seconded by Diana Youmans to approve the 9/2716 minutes. Motion passed unanimously.

Election of Officers

Ken Evers opened up the floor for nominations for Chair. Gene Davis nominated Vanessa Hernandez for Chair. There were no other nominations. Monica Reas made a motion and was seconded by Lory Durrance for the nominations to cease. Everyone is in favor for Vanessa Hernandez to be the Chair. Ken Evers opened up the floor for nominations for Vice Chair. Vanessa Hernandez nominated Gene Davis for Vice Chair. There were no other nominations. Monica Reas made a motion and was seconded by Lory Durrance for nominations to cease. Everyone is in favor for Gene Davis to be Vice Chair.

Attorney Update

We received a ruling yesterday afternoon on the lawsuit regarding the Caresync public records. The motion for summary judgment was grant which means we won. Based on the Schwab analysis, CliftonLarsonAllen's records were not public and they were not acting on our behalf. The IDA was not the custodian of the records and we did not make or receive them.

EDA Request

David Royal, EDA Chair, was here to make a request of the IDA. Dr. Liz Steel went before the EDA two years ago with a project and it was not funded. She came back again this year with it scaled back and the EDA did fund it. The EDA is not able to manage the property and David is here on the EDA's behalf asking if the IDA would manage this project. Liz Steel is a horse vet and would like to build a surgery/rehab facility. The EDA discussed the deliverables that they would like to see. They want it based on job creation and that the private funding she has to be spent first before any EDA funding. The EDA funds

should be used for equipment. This will be on private property and she is willing to pay back the EDA funds if the job creation is not met. We will need to come up with benchmarks for her draws. Director Lambert would like permission today to sit down with Liz and come up with something to put in a contract to bring back before the board. There are no operating costs in the EDA grant. There was no vote but the board was in consensus for Bill and Ken to work out the contract details to bring back for the board's review.

Community Redevelopment Authority

Jessica Newman, CRA Director, is here again to ask if the IDA would like to form another partnership with the CRA. Dr. Curci has purchased the Palmetto Clinic and have residential and commercial inside. This has a job creation component and housing component. He will have a minimum of 5 employees in the front portion that will be a dental office. Utilitech is currently renting space there and has signed a 4 year lease to stay. Dr. Curci lacks about \$400,000. The CRA can incentivize \$150,000 which leaves a gap of \$250,000. The CRA is asking for a partnership and not a specific dollar amount but would like to close the gap of \$250,000. Dr. Curci will be putting in around \$800,000. This would be a reimbursable grant to the CRA. Director Lambert would like to sit down with the City of Wauchula to come up with something and bring it back to the board. Diana Youmans thought that the CRA has been great and would like to see this move forward. She did not want to approve any funds for this specifically today but would like to allocate funds in the budget for this type of initiative.

Diana Youmans made a motion and was seconded by Gene Davis to budget \$750,000 in the Mosaic Fund for housing initiative and/or mixed use. Motion passed unanimously.

****Break from 9:52-10am****

Hidden Creek

This is a housing development that was planned around 2007 or 2008. The water/sewer is in and the property is annexed into the City of Wauchula. The City does not do new construction on utilities. PRECO has told the developers they would do the installation of the utilities. The remaining hurdle of this development is the paving of the roads. The roads would belong to the City and the cost to pave is around \$380,000-\$400,000.

Project Updates/Chair Updates

Halton Peters, who is with Natural Resources Capital Management (NRCM), was here to give a presentation. They are interested in growing organic greens, fruits and vegetables indoors. Their main crop would be arugula. NRCM is prepared to invest \$650,000 of farm related capital equipment and \$2.5MM in light and light support to do this. Their day one capital equity commitment will be \$3.6M. When we first began to pursue the LED lettuce facility, the main lighting company for the capital was going to be Phillips. For some reason they pulled out and it left Brent Thompson in a peculiar position. Brent ultimately ended up with Voltserver and Biosliding and this is where we met Halton. Bill does not know where Brent and Halton stand today with negotiations but hope they can work something out. We will soon begin the retrofit the building. The reskinning of the building with some minor rehabs to bring it up to modern codes will cost about \$600,000 and we would have about \$1.3MM in that property. It has 10 acres. We do not know the HVAC loads yet. Director Lambert would like to give them some reasonable rent abatement on the MOBO building and to be allowed to continue work with them and reach some type of agreement.

Florida Chamber slide presentation

This item was skipped today.

EDA funding status

The EDA did fund all of our applications that were submitted in this cycle. They were the Incubator, Water/Sewer corridor, Pretreatment Facility and EDC admin funding.

Internal Transfer policy

EDA funds are done on a reimbursement basis and from time to time money is moved from the mosaic fund to the general fund to cover the EDA expenses. We are just saying in our policy that the board is aware of the transfer of money between the funds and the time frame for paying it back. When the Clerk reimburses us, we will put the money back in the correct fund. Discussion was had that the Board would like a specific time frame added in the policy for the money to be put back in the correct account. Ken Evers will be adding in a paragraph in the EDA grant award agreements, a prompt payment provision. This will cause the Clerk to advise anyone within 10 days if there is insufficient documentation and payment within 45 days. This should help our cash flow.

Lory Durrance made a motion and was seconded by John O'Neal to approve the policy with the addition of the language "Upon receipt of reimbursement from the EDA grant from the Hardee County Clerk of Courts, staff will return funds within 10 business days." Motion passed unanimously.

Project Updates/Chair Updates

The olive and pomegranates are coming along. We are still working on pongammia pinnata. Director Lambert is continuing to work on the potential of a CO2 extraction plant in Hardee County. PFM is ramping up to begin production and the switch is scheduled to be replaced next week on the weekend of the 27th. The machines can't be run with the switch out. Hopefully insurance will pay for the cost of the replacement switch. There have been moisture problems in Keyplex. We had to close up an area that was causing moisture to build up in the ceiling tiles. Fill line is still growing. Dillard Albritton, Bill and Keith Rupp did an interview with Agnet. Director Lambert will be going to a site selectors meeting in Atlanta next week with FHERO.

Financials

There has been about \$50,000 to come in from the EDA. We have about \$75,000 outstanding with the Clerk for the water/sewer project and about \$600,000 for the Incubator project. These have been outstanding since May 2016.

Gene Davis made a motion and was seconded by Monica Reas to approve the EDC and IDA financials as presented. Motion passed unanimously.

**The meeting was adjourned at 11:22am by Chair Hernandez.