

HARDEE COUNTY
ECONOMIC DEVELOPMENT AUTHORITY (EDA)
(INDEPENDENT BOARD)
COUNTY COMMISSION CHAMBERS
412 WEST ORANGE STREET, ROOM 102
WAUCHULA, FLORIDA 33873
AUGUST 23, 2011 8:30 A.M.

MINUTES

Members:

David Royal, Vice-Chairman, P
Bill Beattie, P
Kenny Miller, P
Derren Bryan, P
Roger Hood, P

Bridget Merrill, Excused
Perry Knight, P
Bill Lambert, Chairman, P
Terry Atchley, P

County Attorney Ken Evers, P
Office Manager Sandy Meeks, P

County Manager Lexton H. Albritton, Jr., P

Chairman Lambert called the meeting to order at 8:30 a.m.

MOTION by Atchley, second by Beattie to approve the agenda. **Motion carried unanimously.**

MOTION by Royal, second by Knight to approve the May 24, 2011, regular meeting minutes. **Motion carried unanimously.**

- I. Acknowledge receipt of the Clerk's Financial Report for period ending 05/31/11, 06/30/11, and 07/31/11.

MOTION by Atchley, second by Royal to acknowledge receipt of the Clerk's Financial Report for periods ending 05/31/11, 06/30/11, and 07/31/11. **Motion carried unanimously.**

- II. Acknowledge receipt of the Project Status Reports from the Industrial Development Authority, Town of Zolfo Springs, City of Bowling Green, and the Hardee County Board of County Commissioners.

Chairman Lambert advised for the minutes to reflect they acknowledged receipt.

- III. Acknowledge receipt of Ranking Sheets from Town of Zolfo Springs, Hardee County BOCC, City of Wauchula, and the City of Bowling Green.

Chairman Lambert advised for the minutes to reflect they acknowledged receipt.

- IV. Request approval and authorization for Chairman to sign Grant Award Agreement with Alane Academy.

MOTION by Atchley, second by Royal to approve and authorization for Chairman to sign Grant Award Agreement with Alane Academy. **Motion carried unanimously.**

- V. Request approval and authorization for Chairman to sign Engagement Letter with LarsenAllen, LLP, for audit services.

MOTION by Knight, second by Atchley to approve and authorization for Chairman to sign Engagement Letter with LarsenAllen, LLP, for audit services. **Motion carried unanimously.**

- VI. Acknowledge receipt of letter from the Industrial Development Authority verifying the Rapid Systems/Broadband project is complete and requesting all monies (\$990.69) not requested for reimbursement be turned in for future disbursement.

Chairman Lambert advised for the minutes to reflect they acknowledged receipt.

- VII. Presentation by Center for Great Apes.

Cyndy Pierce, Director of Institutional Advancement and Patti Ragan, President and Founder, Center for Great Apes provided a power point presentation on their project. Ms. Pierce touched on the budget, community impacts, visitors to sanctuary, the request for Hardee County funding, and the creation of jobs. Ms. Ragan then touched on the facilities expansion and the economic impact on Hardee County. Ms. Pierce concluded the presentation with the top ten reasons to support their proposal.

Chairman Lambert then asked if there were any questions. Hood asked for clarification on the full and part time staff. Ms. Pierce advised they had 20 full time and 5 part time staff. Ms. Pierce also advised they had spoken with the Property Appraiser's Office and was advised if they were not a non profit the advalorem benefit to the county would be around \$3,000. She further explained they felt they brought in more than that to Hardee County. Knight asked about the contributions to the center being impacted from the economy. Ms. Ragan explained it had impacted their members, but they had received more support because of the press. She also touched on how their expenses had also increased. Bryan asked what they felt their role would be in ecotourism. Ms. Pierce explained they had been engaged in a small scale of ecotourism since 1997 through their involvement with the schools.

VIII. Presentation by Lavon Cobb for the Country Gardens.

Mr. Lavon Cobb touched on the project for County Gardens. He explained it would be a 76 bed facility with approximately 38 full time staff. He also touched on the estimated 100 jobs during the construction phase. He touched on the total cost of project, other assisted living facilities in the area, salaries, and the need for the facility in Hardee County.

Chairman Lambert then asked for any questions. Knight asked what the cost would be. Mr. Cobb advised \$8.5 million. He also explained the grant would keep them competitive in the market. Bryan asked what the changes were to their application since the last time they presented. Mr. Cobb advised one of the concerns was that they were planning on flipping the project for a big profit, but he explained they were not planning on doing that. Chairman Lambert asked if they were to take this project to the bank would they fund the \$2.2 million. Mr. Pontier touched on the need for the grant to make their rates competitive. Bryan asked if there was anyway they could scale their construction costs down so they would be able to move forward without the \$2.2 million grant. Mr. Pontier advised some of the construction costs had gone down while some had increased. They then discussed how the facility would compare to the other facilities in the area. Chairman Lambert then asked about the market rate in other counties and why the rate had to be lower because of Hardee County. Mr. Pontier explained they wanted to be right where the other facilities were with a better facility. Mr. Cobb touched on how they were all contributing to the project and taking a risk. He further explained how he felt the facility was needed in Hardee County. Chairman Lambert touched on the stewardship of the Board and how he was still concerned. Knight expressed his concern over the cost of building the facility. Mr. Cobb explained he was going to build the facility for the lowest amount he could. Miller expressed his concern over the cost of land. Mr. Cobb agreed, but advised it was a prime spot. After further discussion, the Chairman touched on the performance based mortgage discussed at the last meeting being directly related to job creation.

IX. Presentation by SonHaven Preparatory Academy.

Dr. Hilt, President of SonHaven Preparatory Academy provided a power point presentation of their project and also, a video of their first day of school. He touched on their school located in Sarasota, Florida, the need for the school in Hardee County, enrollment, and their program. He also touched on how they would need to build a school in the future.

Chairman Lambert then asked for any questions. Miller asked how many public dollars he had infused in his school in Sarasota to make it happen. Dr. Hilt advised they received two scholarships. He also touched on the scholarships that

they receive for the school in Hardee County. Chairman Lambert asked what their corporate status was. Dr. Hilt advised a 501(c)3 school. Hood asked how much they were requesting and what it would be used for. Dr. Hilt advised they were requesting \$140,000 and it would primarily be used for the new jobs they created for the teachers. Atchley asked how many teachers they had. Dr. Hilt replied six. Chairman Lambert asked if they were to set a minimum wage criteria what would be their upper limit. Dr. Hilt advised at this time it was around \$16.00 per hour but they could possible go up to around \$20.00, but advised they only work 44 weeks per year. Hood asked if the staff applied for unemployment while they were out. Dr. Hilt advised this was their first year and they were paying them on an hourly basis. Bryan asked for clarification on the wage section of the application.

X. Presentation by Sarah Pelham for the Industrial Development Authority (IDA).

Sarah Pelham, Economic Development Coordinator, Economic Development Office provided a power point presentation on their project. She touched on Project K at the Commerce Park and how important a spec building was for Hardee County. Hood asked how many jobs Project K was planning. Chairman Lambert advised 15 initially and 40 at build out. Hood asked about the square footage of the building. Ms. Pelham explained from their research it was an average size. Chairman Lambert touched on the IDA having match money. Miller asked if the IDA had the capital available to build this facility without the grant. Chairman Lambert advised they did, but it would preclude them from doing other things. He also touched on how he would prefer it not be site specific.

XI. Presentation by Pattie Detwiler for the Peace River Explorations.

Ms. Detwiler and Ms. Roehm, Peace River Explorations provided a power point presentation on their project. She explained that they were a 501(c)3 and a tourism catalyst project. She also touched on their Board of Directors and Mission Statement. She then explained their objective, how they were compatible with the county wide economic development and infrastructure priorities. She touched on their plans for the historic train depot and their phases for the project. She closed with expressing the importance of the grant to execute and implement the project.

Chairman Lambert then asked if there were any questions. Atchley advised you could feel the excitement throughout the community regarding this project. He asked if they had a feasibility study done. Ms. Detwiler advised they had requested for one to be done, but did not have it yet. Atchley then asked for her to expand on some of the private/public partnerships they had. Ms. Detwiler touched on their relationship with the City of Wauchula regarding the Train Depot and the City Hall. She also explained they did not have a feasibility study

done, but had a lot of abstracts and research that had been done on the project. Hood then asked about the phases. Ms. Detwiler explained there were eight phases and touched on phases one and two which she explained was the main phases that needed to be done to get started. Hood asked would the \$1.2 million be enough to get them started. Ms. Detwiler advised that would be enough to get them started. Hood then asked about the private pledges she had mentioned and if they were not awarded would the project still move forward. Ms. Detwiler explained the pledges were in place because of it being a reimbursable grant and how the pledges would assist them in getting started. Miller then asked about the feasibility study and if they had one in the plans. Ms. Detwiler explained the IDA was going to be doing that on a broader scale. She also touched on how the Depot would be the best place for the Welcome Center. There was then a discussion on the tourism tax. Bryan then asked if she could expand on her pledges that she had mentioned earlier. He explained they just needed to make sure they would be able to comply. She touched on their cash flows and advised she thought they would be fine. Knight then asked where they were at with the restoration of the depot. Ms. Detwiler explained no where and how they could not do anything until they received funding. She explained the City of Wauchula had given her approval to renovate the depot. Knight explained he would feel more comfortable if they came before the Board with a grass roots effort on who they were and what they were planning on doing. Ms. Detwiler explained that was what they wanted to do. Mrs. Jeraldine Crews, Board Member Peace River Explorations explained they needed the funding to get started on the project. Bryan asked about the pledges they had. Ms. Detwiler stated if they used those they couldn't be reimbursed and that would be all their money.

XII. Presentation by Oakwood Construction.

Mr. Anderson provided the Board with a power point presentation of their project. He touched on who Oakwood Construction was and what their goals were. He explained they were from Hardee County and their business would be called Anderson's Kitchen, Floors, & More. He explained how it would be a one stop shop. He also touched on the need for the store in Hardee County. He had several slides on the renovations they had been doing to their store on Main Street.

Chairman Lambert asked if there were any questions. Hood asked what the total amount they were asking for and how it would be used. Mr. Anderson advised they were asking for \$140,000 for two jobs. He explained they would be for running the store and doing the installing.

XIII. Presentation by FHG Innovative Solutions.

Withdrew Application.

XIV. Presentation by Redding Farms, LLC.

Ms. Cheryl Crawford, General Manager and Wesley Redding, Owner, Redding Farms provided each member with a handout explaining their request. She started off with some history and also, wanted to clear up any misconceptions. She touched on some of the history of Lovett Farms and then explained what their request was for. She explained they were asking for \$200,000 for the infrastructure grant. She touched on the economic impact to Hardee County and also, provided a copy of their Profit & Loss Statement for 2011. She then advised after careful review of the requirements of the Job Creation Grant, they felt that it would not be feasible for an agricultural based business to meet the guidelines. They then advised they would still like to be considered for the grant due to Hardee County's economic foundation being based on agriculture and touched further on their employee's salary and their demographics.

Chairman Lambert then asked if there were any questions. Bryan asked if they were amending their Job Creation Application. She advised they were and would be asking for \$6,000 per employee. Chairman Lambert asked if she could elaborate on the Profit & Loss Statement she had provided. She explained the statement and advised they were a profitable company. Chairman Lambert then asked why they couldn't use their profit for their expansion. She explained the profit they had was not enough to accomplish what they were wanting. Chairman Lambert asked about their debt service. She explained they had no debt and everything was paid off. Atchley asked if they were not awarded the grant what would be their next steps. She explained they would move forward. Knight asked what they thought the future held for their nursery. She explained with Florida it was bleak and how they were trying to market towards the northern United States.

XV. EDA Ranking.

Chairman Lambert then explained they only had \$3,680,000 and they could fund all the money or only a portion. He then advised he would like to have a ranking discussion and touched on the rankings received from the cities and the county. He then opened the floor for how they wanted to move forward. Bryan suggested they form some type of ranking criteria or even a rubric to assist them through the process. Miller explained he reviewed the criteria sheet in their book and spent several hours reviewing the applications and tried to rank them using the criteria sheet, but couldn't use it. Beattie asked how much money could be transferred to next cycle. Chairman Lambert advised all of it.

Chairman Lambert then touched on his evaluation of each applicant. He explained his concerns with the Redding Farms application and how it could be a problem if they start funding businesses in an industry that already exists. He then touched on the Center for Great Apes and how they had to find a way to

connect them to tourism. He touched on how he felt they needed the Assisted Living Facility (Country Gardens) in Hardee County, but still had questions. He explained how the IDA Spec Building ultimately benefits everyone in the community, but not a big deal if not funded. He explained his concerns with SonHaven and it being a not for profit and how they needed to further discuss that issue. He went on to explain how his concerns with Oakwood Construction were similar to Redding Farms and how they were asking for money to give them a competitive edge against other businesses in the community. He touched on how the IDA was doing feasibility analysis for the Peace River Explorations project and how that needed to be done first. He then asked how everyone else felt. Bryan explained how they needed the ranking and criteria. He touched on some of the criteria he had come up with. Atchley explained how they needed to be sensitive to the already existing criteria that was in place and had already been approved historically. Hood touched on how important job creation was and should they postpone funding any projects and work on a template for the ranking. Chairman Lambert advised he would like to see the list of applicants reduced. Hood asked what criteria they would use to do that.

Chairman Lambert then touched on how any money awarded to Peace River Explorations to renovate City of Wauchula property probably should go through the City of Wauchula or even the Community Redevelopment Agency (CRA). He then touched on how if they spend the money in the CRA, the county receives no economic benefit besides job creation. Commissioner Minor Bryant, Hardee County touched on how the county had to write a check to the City of Wauchula for the property tax collected on property located in the CRA. He expressed his concern how the county received no return and also, how the non-profits did not generate any increase to Hardee County tax dollars. He further explained if they were going to invest the money in the CRA, the county should also receive a return on the investment. Chairman Lambert also touched on the issue and asked if Jessica Newman from Main Street Wauchula would like to speak on the issue.

Jessica Newman, Main Street Wauchula Director/Community Redevelopment Agency Coordinator explained that the CRA is not the entire city and how annexed properties are not part of the CRA. She further advised that Briarwood was pulled out prior to the adoption. She further noted that the city does not take 100% of the property value. She also advised that in 15 years the CRA would sunset and then the county would reap the full benefit. She further explained that they are willing to review and work with the county on the issue. She closed in advising she did not feel the applicants should be excluded because they had chosen to locate their project in the CRA. Royal touched on how the CRA had done a lot of good in the community. Commissioner Bryant also advised the CRA concerns were his and not the Board of County Commissioners.

Nancy Craft, Hardee County Economic Development Council advised one of the main criteria should be what positive impacts the projects had on the county. She further advised how the Center for Great Apes had positively impacted the county and the Peace River Explorations idea was amazing and could greatly benefit Hardee County. Atchley expressed his concern on making the plan work and wanted to make sure they didn't hurt any of the projects.

After further discussion, Chairman Lambert advised he would like to see the Train Depot restored and if the Board wanted to fund the IDA they would make sure it was done through the City of Wauchula or the CRA or he could either go to the IDA and see if he could get it done. Atchley advised they were right back to the concerns of Bryan and Miller with the ranking.

Hood touched on the Peace River Explorations being a great concept, the IDA and Center for Great Apes having merit, and the Country Gardens being a good project, but just unsure of the amount to fund. He further advised they could make a decision on some of them today and have the others come back. Chairman Lambert asked if that was a motion to eliminate all the projects but those four. Knight advised he would like to make a motion they fund the IDA Spec Building at the full amount of \$800,000. Chairman Lambert asked if he wanted to add any money for the depot. Hood asked did they now have two motions. Chairman Lambert advised they were similar. Knight advised he would ask that the IDA get with the Peace River Explorations and discuss the IDA funding them and then they could reimburse at a later date. Hood advised he would remove his motion if Knight would amend his motion to remove those they had discussed already not feasible for this phase. Chairman Lambert explained Hood's motion was to fund the Center for Great Apes, Peace River Explorations, Country Gardens, and the IDA Spec Building and Knights was to fund the IDA Spec Building as an amendment and then the remainder of applications would be debated in the next two weeks. Knight advised that would be great.

MOTION by Hood, second by Knight to remove from consideration all the projects, but the four aforementioned projects with an affirmation of funding for the IDA Spec Building and to come back in two weeks for additional discussion on the ranking criteria for the remaining projects. Miller expressed his concern over keep the two things together. Chairman Lambert advised they could separate them. **MOTION by Knight, second by Miller** to remove from consideration all the projects, but the four aforementioned projects which were the Center for Great Apes, Country Gardens, IDA, and Peace River Explorations. Bryan asked when they would follow guidelines and provide ranking. Chairman Lambert advised in two weeks or the next scheduled meeting. **Motion carried unanimously.**

Motion by Knight, second by Royal to fund the IDA \$800,000 for the spec building. Miller advised he was opposed to the motion because there was already money for that through the IDA. He further explained he was not opposed to the Spec Building just felt that it could be funded with the money through the IDA. **Motion passed seven to one with Lambert, Royal, Beattie, Atchley, Hood, Knight, and Bryan voting yea and Miller voting nay.**

Chairman Lambert then asked if they should direct the County Manager and his staff to help them with due diligence on the ranking. Miller advised he thought they just ranked the IDA project without any criteria. Chairman Lambert advised they did not break any of their rules.

County Manager Albritton explained staff could help just remember they report to the Board of County Commissioners. He also reminded the members of their meeting scheduled for 09/27/11 to complete the award process and if they wanted to meet sooner, they may want to just continue the meeting to a time/date specific.

Chairman Lambert advised they would meet on September 12, 2011, at 8:30 a.m. to continue the discussion.

XVI. Public Comment

Chairman Lambert asked if there was anything else to come before the Board. There was none.

Meeting adjourned at 12:40 p.m.

William R. Lambert, Jr., Chairman