

**CLAY COUNTY DEVELOPMENT AUTHORITY**  
**IRB, PROJECT, & ORGANIZATION FINANCING COMMITTEE**

**MINUTES**

**May 18, 2016**

**Present:** Rev. Bill Randall, Russell Buck, Matt Carlton, Mike Davidson

**Staff:** Grady Williams, Josh Cockrell, Taylor Mejia

**Guests:** Ken Smallwood, Van Royal

**Call to Order:** **Rev. Bill Randall** called the Clay County Development Authority (“CCDA”) Policy Committee Meeting to order at 3:02 PM.

**Comments from the Public:** None.

**Approval of March 25, 2016 Minutes:** **Russell Buck** made a motion to approve the minutes. Motion was seconded and passed unanimously.

**Investment Opportunities:**

**Josh Cockrell** gave brief overview of CCDA’s outlook on brining projects into Clay County

- **Ken Smallwood Presentation:** Ken Smallwood stated that \$1 million has been transferred into a CIP fund for “Phase 1” of the entry road into the Challenger Center, which will pave about half a mile of road. He also said that he believed the County Commission plans to put out an RFP for all three phases of the entry road. Ken stated that there are currently four different projects interested in the Challenger Center. Ken proposed the idea of a project where he would contribute the land in the Challenger Center and the CCDA would contribute the fund to construct a building. He suggested that the revenue would be prorated based on the amount each party contributed to the project. Ken stated that an LLC should be formed to own the building and that the long term vision would be to lease the property, eventually sell the property, and then use the profits to build new infrastructure in the Challenger Center.

The committee members discussed possible options to fund a project like the project described by Ken Smallwood. The members agreed that financially the CCDA would have to fund the proposed project through financing instead purchasing the property in cash.

**Matt Carlton** stated that he would like to see a pro forma for purchasing the site for \$1.5 million (\$6 per square foot).

The committee continued to discuss the possible approaches: construct a building after a business in need is identified, or build infrastructure and then find a tenant. The members also discussed ability to enter into a joint venture with a private company and the members agreed the venture would need to be beneficial for the public. Ken Smallwood stated he believed the most profitable infrastructure to invest in would be to create 60 sq ft for a dock and warehouse use and 40 sq ft for flex office space.

- **Van Royal Presentation:** Van Royal stated that there are clients and potential business that exist that are in need of building space. Van Royal encouraged the committee, and Board as a whole, to decide if they would prefer to invest in a project that would provide a steady cash flow or to invest and plan to make a large sum when a project/building is sold. He also stated that he would like the CCDA to lay out the parameters of what the Board envisions investing in and doing. Once the CCDA communicates to the community its outlook and plan, then Van can bring prospective projects to the CCDA.

**Adjourned: 4:02 PM.**