

**CLAY COUNTY DEVELOPMENT AUTHORITY
REGULAR SCHEDULED PUBLIC MEETING
MINUTES**

August 16, 2018

Present: Greg Clary, Keith Ward, Bruce Butler, Russell Buck, Marge Hutton, Chereese Stewart, Mike Davidson, Amy Pope-Wells, Cathy Chambers

Excused: Tom Morris

Staff: Josh Cockrell, April Scott, Counsel

Guests: JJ Harris, Tresa Calfee, Kevin Monahan

Call to Order: **Russell Buck** called the Clay County Development Authority ("CCDA") Public Meeting to order at 4:03 PM.

Invocation: **Greg Clary** provided the invocation.

Comments from the Public: None.

Secretary's Report

Approval of June 20, 2018 Minutes and July 10, 2018 Minutes: **Greg Clary** presented the minutes. **Bruce Butler** made a motion to approve the minutes. Motion seconded and passed unanimously.

Treasurer's Report

Mike Davidson presented the June 2018 and July 2018 financials to the Board. **Marge Hutton** made a motion to accept the Treasurer's report. Motion seconded and passed unanimously. Mike also stated that the First Atlantic Money Market account's rate of return was renegotiated and increased from 0.75% to 1.25%. The Florida Prime SBA account is a variable interest rate at 2.22% in July.

Clay EDC Report & Presentation

JJ Harris provided an overview of the projects that he has open. He stated that he is meeting with business throughout Clay. He and Josh Cockrell met with Keystone Heights Airpark regarding development opportunities and IRB options. They have also met with other businesses and educated them on the use of IRBs.

JJ presented the Clay EDC's funding request for FY 18-19. He is requesting \$20,000, an increase of \$10k compared to previous years commitments. He stated that Clay County BCC supports the Clay EDC at \$100k and that he has requested Green Cove Springs and Town of Orange Park to commit to \$10k as well. City of Keystone Heights has committed \$1,000. There is a mix of businesses committing as well and additional requests have been made.

Russell Buck stated that the Board will further discuss all funding requests later during the meeting and will make decisions at that time.

SBDC Report & Presentation

Tresa Calfee presented the SBDC's request for funding for FY 18-19 in the amount of \$7,500 and shared the importance of SBDC having a presence in Clay. **Russell Buck** asked about the total amount to fund Clay SBDC. Tresa confirmed the local required match \$32,000 made up of \$10k from Jaguars, Community First Credit Union is \$5k, Keystone Heights at \$1k, \$500 from FirstAtlantic Bank, Alliance and Associates at \$1,750, and Vystar at \$1k. There are additional commitments being sought and awaiting confirmation. Kevin Monahan stated that the SBDC has hired a new Clay County representative who is set to start soon.

Committee Reports

No report.

Chair's Report

Sale of 1734 Kingsley Ave, Orange Park – Russell Buck shared with the Board that the building at 1734 Kingsley Avenue has sold. The CCDA netted approximately \$490k. Josh Cockrell shared with the Board that since the June 2018 meeting, several events took place during the due diligence period. The buyer requested \$17k at closing to repair several issues that were identified during inspection which included an issue with the roof and failing HVAC units. The closing took place successfully.

FY 18-19 Contracts & Agreements – Russell Buck presented Tolson & Associates, PA's renewal contract for services. **Keith Ward** made a motion to approve the contract. Motion was seconded and passed unanimously.

Russell Buck presented Coleman & Associates, CPA's renewal contract for services. The contract fee will increase; however, it will now include any additional ancillary costs that, in the past, have been variable and billed quarterly. The new fee will result in a savings for the CCDA. **Marge Hutton** made a motion to approve the contract. Motion seconded and passed unanimously.

Russell Buck presented Infinity Global Solutions (now Gilmore Hagan Partners) renewal contract for services which includes an increase in the monthly fee. He cited Josh Cockrell's increased commitment of time and resources to support the Board and management of the agency. **Keith Ward** made a motion to approve the contract. Motion was seconded. **Greg Clary** stated his support for the fee increase and renewal of the contract. Motion was approved unanimously.

The Board resumed discussions regarding the Clay EDC and SBDC funding requests. The Board had consensus that the Clay EDC be funded at \$10k with the opportunity for additional funding that is incentive/performance-based. **Cathy Chambers** suggested that the incentive be activity-based. Josh Cockrell stated that JJ Harris has been including him on site visits and providing opportunities to educate business decision-makers on the use of IRBs. He

suggested that the Board could reward Clay EDC with additional funding if the Clay EDC is responsible for the origination of an IRB that the CCDA issues. **Russell Buck** recommended that Josh work with JJ to develop a program that will reward the Clay EDC with additional funding based upon activity generated, IRBs issued, etc. The Board will review the program and the Clay EDC's development plan. **Mike Davidson** made a motion to approve \$10k sponsorship with an opportunity for additional future funding. Motion seconded and passed unanimously.

The Board recognizes that the SBDC is short on funding for the upcoming fiscal year and that the CCDA hasn't seen much benefit from previous years' funding. As a good community steward, the Board discussed providing the SBDC financial support in the amount of \$2,500. The SBDC can return to the Board in 6 months and seek an additional \$2,500. The Board will consider providing additional funds based on the activities generated by SBDC and benefits generated back to CCDA from the support. **Amy Pope-Wells** stated that she is recusing herself from voting on this item due to her serving on the SBDC Board. She stated that as incoming Chair for the Clay Chamber, she is confident that the SBDC's relationship with the Clay Chamber will strengthen and Clay County will benefit from having SBDC's presence. **Keith Ward** made a motion to approve funding the SBDC at \$2,500. Motion seconded and passed unanimously.

Executive Director's Report

DIG/DTF Grants – Josh Cockrell provided an update on the status of the grants. The two buffer land grants are expected to close in October/November (approximately \$870k). The Roadway Resurfacing grant is on hold until the two buffer land grants are closed. Josh presented a new grant application for the purchase of buffer land. He requested the Board's approval for submission of the application in the amount of \$500k. The grant award will be determined in May/June 2019. **Marge Hutton** made a motion to approve the submission of the grant application. Motion seconded and passed unanimously.

Economic Development Discussions – Josh Cockrell stated that he and JJ Harris met with an aquarium cabinet manufacturing business located in Green Cove Springs that is planning to expand and is looking for a new facility. The company would like to remain in Green Cove and has expressed interest in having CCDA building a facility and leasing it to them. US Gypsum and Roller Die are both looking for opportunities to expand as well. The availability of facilities that will accommodate the needs of the businesses are limited. There is a strong demand for industrial buildings.

Josh and JJ also met with Keystone Height Airport staff regarding the projects that are planned at the airport and the need for facilities to accommodate the demands of their tenants. The airport needs hangars and warehousing. Their tenant MHD Rockland has a strong demand for facilities. There are potential opportunities to issue IRBs to the airport to finance the facilities. The Board expressed their support for projects that have end users already in line. Josh stated that he will continue conversations with the airport.

Attorney's Report

April Scott mentioned that she is proud that the building sold. She is looking forward to the next project.

Old Business/New Business/ Board Comments

JP Hall Industrial Park Property – Russell Buck stated that April Scott provided a draft agreement for the purchase of land at JP Hall Industrial Park for the Board to review. Josh Cockrell updated the Board on discussions that have taken place regarding the purchase of property at JP Hall. The Board's \$275k offer was submitted for the purchase of 4.5 acres. The real estate broker for JP Hall provided a counteroffer of \$90k per acre. Additional information regarding the site was provided including engineering plans and the acknowledgement of some site work that has been completed. The site consists of 5.7 acres, is not pad ready, and will require an engineering analysis to determine what site work has been completed. Per Josh Cockrell's request, April drafted an agreement for the CCDA to purchase Lots 10 (2.27 acres) that has some site work completed. The draft agreement requests a 120-day due diligence period and includes an option to purchase the remaining lots within a 2-year period. The Board has decided to table any additional discussions until the next meeting and to consider an alternative option of purchasing all 3 lots (approximately 5.7 acres) in one acquisition. Josh will meet with the prospective tenants to further understand their space needs, expected lease rates and terms, etc.

Adjourned: 6:00 PM