

**DRAFT Minutes of the
Comprehensive Economic Development Strategy Committee
Treasure Coast Regional Planning Council
July 9, 2020 Committee Virtual Meeting**

Chair Duval called the meeting to order at 2:00 p.m.

Agenda Item 1: Roll Call

Ms. Heidt called roll.

Committee Members Participating Via Virtual Meeting:

Helene Caseltine	Indian River County
Bruce Redus	Indian River County
Ted Astolfi	Martin County
Pinal Gandhi Savdas	Martin County
Jared Gaylord	Martin County
Charles Duval	Palm Beach County
Gary Hines	Palm Beach County
Alan Chin Lee	Palm Beach County
Thuy Shutt	Palm Beach County
Peter Jones	St. Lucie County
R. Douglas Bynoe	St. Lucie County
Peter Tesch	St. Lucie County
Peter Jones	St. Lucie County

Absent:

Kelley Armitage	Indian River County
Nicholas Rojas	Indian River County
Pauline Becker	Martin County
Kevin Kryzda	Martin County
Kathie Smith, Alternate	Martin County
Ralph Davino, Alternate	Martin County
Nepoleon Collins	Palm Beach County

Council Staff:

Thomas J. Lanahan	TCRPC
Stephanie Heidt	TCRPC

Guests:

Michael Zumpino	Triad Associates
Jake Botticello	Triad Associates
Jessica DelVecchio	City of Boca Raton
Mark Cassidy	SFRPC
Arlene Davis-Walcott	SFRPC
Thondra Lanese	St. Lucie County

Agenda Item 2: Agenda Approval

Committee Action: Mr. Hines moved approval of the agenda. Mr. Gaylord seconded the motion, which carried unanimously.

Agenda Item 3: Approval of May 14, 2020 Meeting Minutes

Committee Action: Mr. Redus moved approval of the May 14, 2020 meeting minutes. Ms. Caseltine seconded the motion, which carried unanimously.

Agenda Item 4: Approval of June 4, 2020 Meeting Minutes

Committee Action: Helene Caseltine moved approval of the June 4, 2020 meeting minutes. Ms. Gandhi-Savdas seconded the motion, which carried unanimously.

Agenda Item 5: Consistency Findings on U.S. Economic Development Administration Applications for Grant Funding

Mr. Botticello provided an overview of the proposed project, which is being proposed by the Community Initiatives Development Corporation (CIDC), a 501(c)(3) non-profit corporation, working on behalf of the Town of Lake Park in collaboration with the County of Palm Beach, O3 Asset Management LLC. The project proposes to construct a 25,000 square foot Commercial Kitchen in the Town of Lake Park. There will be approximately twenty-five, 400 square foot commercial kitchen spaces available for rent along with ancillary facilities on-site. The goal is to provide a “missing link” in the food service industry for a safe and affordable place for start-up restaurateurs and artisan food makers to develop their enterprises and grow into self-sustaining businesses. The CIDC will seek to attract a major tenant for the facility to establish operations and provide management services for the overall commercial kitchen operation. Among the current prospects expressing interest in the commercial kitchen is Oceana Logistics (Oceana). The commercial kitchen will result in an estimated 200 new job opportunities in the food service and beverage industry. Mr. Botticello noted that this project will provide for economic resiliency in the food services industry to not only address the economic damage that was caused by the COVID-19 pandemic, but also help to substantiate and strengthen the economy in the region.

Mr. Jones asked who will be managing the kitchen, noting that there is a similar kitchen facility in St. Lucie County, and they found that the management of the facility is very important to its success. Mr. Botticello noted that Oceana will be handling the management of the facility. He noted that Oceana has subsidiaries that will be located there that will bring in foods such as coffee, chocolate, and different beverages. He stated the owners of Oceana have experience in different parts of the industry and will not only be managing the project, but as part of the business plan will be offering educational opportunities to the tenants.

Ms. Caseltine asked if this will work as a business incubator with a timeframe for when the business will “graduate out” of the kitchen. Mr. Botticello stated that the project will make spaces available for rent or lease for as long as the tenants want to be there. He

stated that the focus of the project is to provide shared dry and cold storage, as well as access to a packing facility for businesses that could not afford these types of amenities on their own. He said it is less an incubator and more like a middle step for a business to develop their business without having the overhead of an entire facility.

Mr. Gaylord asked what the estimated rent would be. Mr. Zumpino noted that at this time that has not been finalized in the business plan. He stated it will rely on the amount of funding that is made available, and then doing a thorough analysis of the operating costs. He stated that one thing they are trying to do is not undercut the market, but create a competitive environment for entrepreneurs. He noted that they are also pursuing other means of funding as well as the EDA CARES Act funding.

Chair Duval asked if they envision the training program as an opportunity to partner with local schools and organizations to provide training to local residents who may want to learn the skills for this industry. Mr. Botticello stated that he knows Oceana would welcome those types of relationships that would create technical programs and training; however because of the abbreviated timeline for submitting this application, those conversations have not yet occurred.

Mr. Jones noted that the size of the 25 proposed spaces would be approximately 400 square feet each. He asked if this will be enough room to develop a product, even without entertaining customers onsite. Mr. Botticello stated that the facility is not designed to allow for a lot of public access, although it could serve as an outlet for selling pre-packaged foods. He noted that they have received 15 letters from different entrepreneurs that have expressed a commitment to come into the facility. Those businesses include a caterer, baker, and a maker of natural, organic sport drinks, who wants to be able to use the amenities, such as the bottling equipment. He noted that with the rise of food delivery services, we are starting to see fewer restaurants with dining rooms. This project will provide the tenants with the ability to have a full-scale kitchen without the eat-in service.

Mr. Astolfi asked if each of the individual companies will be required to be licensed and provide their own liability insurance. Mr. Zumpino stated that he believes it will be a lease requirement for each tenant, with Oceana having their own coverage as the manager of the facility. Mr. Astolfi noted that in Martin County there is a facility that does training and education on packaging, food handling, and food safety. He asked if these are the types of programs that will be done, not only for the owners as they expand their businesses, but for the new employees they will hire. Mr. Botticello stated that while an educational center is not built into the project, the intention is to assist entrepreneurs develop their business and share ideas with each other. He stated that the idea is to have space available for individuals to develop their businesses without the overhead of an entire facility. He stated that he believes that a shared sense of helping one another will come along naturally in this type of shared environment. Mr. Zumpino noted that they are learning more about Oceana and if it works out that they will be the master tenant, and there is every indication to believe they will be, there will be a lot of information sharing among the smaller businesses.

Ms. Heidt noted that the staff report includes specific objectives and actions that would make the project consistent. She asked if any Committee members would like to make any changes to that list. Seeing none, Chair Duval called for a motion to approve the consistency of this project with the CEDS Plan.

Committee Action: Mr. Jones moved approval of finding the project consistent with the CEDS Plan. Mr. Astolfi seconded the motion, which carried unanimously.

South Florida Economic Resiliency Strategic Plan

Mark Cassidy from the South Florida Regional Planning Council (SFRPC) provided an overview of the proposed project to directly further COVID-19 recovery, economic resiliency/ diversification, and development efforts in Palm Beach, Broward, Miami-Dade, and Monroe counties. The project is being proposed by a consortium of partners from the four-county region and beyond to develop a plan that will analyze and update county-wide economic development strategies in light of a changed and rapidly evolving economic environment due to COVID-19. The plan will focus on the areas of talent development, manufacturing, the life sciences supply chain, and technology utilization to respond to the coronavirus and its economic injury. Mr. Cassidy noted that south Florida, which is very reliant on tourism, was most impacted in terms of concentration of COVID-19 cases. He noted that many tourism workers and manufacturing workers are not able to easily pivot into other areas of the economy. He stated that one of the goals of the plan is to identify areas where workers can be retrained. The plan will look for projects that tie workforce development into their investment priorities; are located in opportunity zones; and will build the critical infrastructure for recovery and resilience. He noted that the first phase of the study will be to identify what needs to be done and the second phase will be an implementation plan that will be developed by all the regional partners.

Ms. Heidt asked the Committee members if they are comfortable with the consistency findings identified in the staff report.

Mr. Astolfi asked if there is a plan to do a similar study for the northern counties in the Treasure Coast Region. Ms. Heidt indicated that EDA has provided supplemental funding to each of the Economic Development Districts to do this type of planning. She noted that she is in the process of hiring a Disaster Economic Recovery Coordinator to work with the entire Region on recovery and planning related to COVID-19.

Mr. Astolfi stated that he is supportive of this project because it not only identifies jobs, but training opportunities as well. He suggested that apprenticeships and pre-apprenticeships programs should be included as part of this plan.

Committee Action: Mr. Astolfi made a motion to support this project and find it consistent. Mr. Chin Lee seconded the motion, which carried unanimously.

Agenda Item 6: Public Comment

None

Agenda Item 7: Staff Comment

Mr. Lanahan provided an overview of District staff efforts to conceptualize and create a grant application to EDA to create a revolving loan fund program for the 3 northern counties of the Region (i.e. Martin, St. Lucie, Indian River counties). He noted that Palm Beach County is already part of the SFRPC RLF lending area and will be part of their Coronavirus supplemental RLF once that is approved by EDA. This application would be under EDAs Coronavirus CARES Act funding and would initially be focused on recovery from COVID-19 impacts, but as repayments are made back into the program, that money would be available for additional loans. The requested amount is for \$1,040,000, which will allow for \$1 million to be available for loans, and \$40,000 to cover administrative expenses of running the program.

Mr. Lanahan noted that there is a 20% match requirement. He stated that St. Lucie County has already committed to their share; Martin County will review the proposal on July 28th; and Indian River County will review the proposal the first part of August. He indicated that the intention is to work with the SFRPC to assist with the administrative operations of the RLF since they have that experience and familiarity with the loan documents and federal requirements.

Ms. Caseltine asked if there is any EDA funding left for the Southeast Region. Mr. Lanahan stated he believes that the competitive awards have not yet been made. He indicated that the only thing he has heard is that the requests for funding far exceed the amount available, but those applications have not yet been vetted and may not qualify. He stated the worst thing that could happen with this application is that it is denied. In that case, at least we have gone through the process of proposing the RLF and gotten feedback from the Counties on this type of program, so if funding does become available we are ready. Ms. Heidt noted that EDA must also decide to fund a grant application for less than what is requested. She stated that through her discussions with Mr. Vaday, there are several layers to the process of reviewing and approving the grants that include weeding out those applications that do not qualify and then determining the amount of funding to allocate to a project.

Agenda Item 8: CEDS Committee Member Comment

Mr. Redus noted that earlier in the year the Committee discussed adding support for opportunity zones into the CEDS plan. Also, he stated that he would like to see adding the issue of affordable/workforce housing into the plan. He asked if this is something the Committee would entertain. Ms. Heidt indicated that each year we are required to do a review of the CEDS plan, noting that the previous year objectives and actions were updated by the Committee. She asked for Committee members to provide her with any language they would like to include in the CEDS Plan related to these, and any other topics, to incorporate into the annual review. She will then do a strikeout and underline draft that will be provided at the September meeting for review by the Committee for inclusion in the annual update. She noted that while EDA does not fund affordable housing projects, it is still a good idea to have actions that support this type of housing as part of our CEDS plan to support current and new workers in our communities.

Agenda Item 9: Next Meeting – September 10, 2020

Chair Duval noted that the next meeting may be virtual. He wished everyone good health.

Ms. Heidt noted that if additional applications are brought to her for consistency review, she will advise the Committee and schedule a meeting in August.

Agenda Item 10: Adjournment

There being no further business, Chair Duvall adjourned the meeting at 2:52 p.m.