

## CONTRACT, LEASE, AGREEMENT CONTROL FORM

Date: 10/13/2022-  
Contract/Lease Control #: C16-2348-CAO  
Procurement#: NA  
Contract/Lease Type: CONTRACT  
Award To/Lessee: ECONOMIC DEVELOPMENT COUNCIL  
Owner/Lessor: OKALOOSA COUNTY  
Effective Date: 01/01/2016  
Expiration Date: 09/30/2023  
Description of: MARKETING SERVICES  
Department: CAO  
Department Monitor: HOFSTAD  
Monitor's Telephone #: 850-651-7515  
Monitor's FAX # or E-mail: JHOFSTAD@MYOKALOOSA.COM

Closed:

Cc: BCC RECORDS

## DeRita Mason

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**From:** Craig Coffey  
**Sent:** Tuesday, August 9, 2022 11:07 AM  
**To:** DeRita Mason  
**Subject:** FW: Second Amendment to EDC Agreement  
**Attachments:** 2nd amendment C16-2348-CAO 8.9.22.docx

**Importance:** High

FYI, This will be on the next agenda. Craig

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**From:** Hoshihara, Lynn <lhoshihara@ngn-tally.com>  
**Sent:** Tuesday, August 9, 2022 9:51 AM  
**To:** Nathan Sparks <nathan@oneokaloosa.org>; Craig Coffey <ccoffey@myokaloosa.com>  
**Subject:** RE: Second Amendment to EDC Agreement  
**Importance:** High

Nathan,

We modified this amendment so that it renews automatically each year (without further Board approval). Any amendments to the Agreement (e.g., increased amount or other change) will need to be upon written agreement by both parties. See new language below. Our intent is to lessen the administrative burden of having to process an annual renewal. If you have any questions, please call Craig Coffey.

**TERMS OF THE AGREEMENT.** This Agreement will be automatically renewed annually, will begin on January 1, 2016 and extend through September 30, 2020. This contract may be renewed for two (2) additional one-year periods on the same terms and conditions upon written agreement by both parties. Any amendment to this Agreement must be upon written agreement by both parties. This contract Agreement may be canceled by either party, in writing, without cause upon sixty (60) days written notice. Renewal of this contract Agreement shall be subject to appropriation of funds by the Board of County Commissioners.

Thanks,  
Lynn

**Lynn M. Hoshihara**

**Nabors  
Giblin &  
Nickerson**<sup>PC</sup>

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**SECOND AMENDMENT TO THE MARKETING SERVICES  
AGREEMENT BETWEEN OKALOOSA COUNTY AND THE  
ECONOMIC DEVELOPMENT COUNCIL OF OKALOOSA COUNTY  
(CONTRACT NO. C16-2348-CAO)**

This Second Amendment to the Marketing Services Agreement between Okaloosa County, a political subdivision of the State of Florida (the "County"), and Economic Development Council of Okaloosa County d/b/a One Okaloosa EDC (the "EDC"), executed this 16<sup>th</sup> day of August, 2022, is made a part of the original Agreement, dated November 3, 2015 (the "original Agreement"), incorporated herein by reference. The County and EDC hereby agree as follows:

1. **AMENDMENT.** The County and EDC hereby amend Section 3 of the original Agreement as follows:

**TERMS OF THE AGREEMENT.** This Agreement is renewed for one (1) year commencing October 1, 2022, through September 30, 2023. ~~will begin on January 1, 2016 and extend through September 30, 2020.~~ This contract may be renewed for two (2) additional one-year periods on the same terms and conditions upon written agreement by both parties. Any amendment to this Agreement must be upon written agreement by both parties. This ~~contract~~ Agreement may be canceled by either party, in writing, without cause upon sixty (60) days written notice. Renewal of this ~~contract~~ Agreement shall be subject to appropriation of funds by the Board of County Commissioners.

2. **OTHER PROVISIONS REMAIN IN EFFECT.** Except as specifically modified herein, all terms and conditions of the original Agreement between the parties, dated November 3, 2015, and any amendments thereto, shall remain in full force and effect.
3. **CONFLICTING PROVISIONS.** The terms, statements, requirements, or provisions contained in this Amendment shall prevail and be given superior effect and priority over any conflicting or inconsistent terms, statements, requirements or provisions contained in any other document or attachment.



IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment on the day and year first written above.

**ECONOMIC DEVELOPMENT COUNCIL  
OF OKALOOSA COUNTY D/B/A  
ONE OKALOOSA EDC**

*Nathan Sparks*  
Nathan Sparks, Executive Director

ATTEST:

OKALOOSA COUNTY, FLORIDA

for *J.D. Peacock II*  
J.D. Peacock II, Clerk of Court

*Mel Ponder*  
Mel Ponder, Chairman





### SOLE SOURCE PURCHASE JUSTIFICATION REQUEST

A sole source is when the commodity or service can be legally purchased from only one source. This is usually due to the source owning patents and/or copyrights. A requirements for a particular proprietary item does not justify a sole source purchase, if there is more than one potential supplier for that item. Use of Brand Names and Model numbers does not constitute a sole source.

**Date:** 07/22/2022

**PR No:** Contract

**Requestor:** County Administrator

**Phone No:** 850 651 7515

**Department/Division:** County Administrator's Office

**Item Description:** Economic Development

**Vendor:** One Okaloosa EDC (Economic Development Council)

**Vendor's Address:** P.O.Box 4097, Fort Walton Beach, FL 32549

**Vendor's Telephone No:** 850 362 6467

**Point of Contact:** Nathan Sparks

**Sole Source Justification:** To facilitate the coordinated Economic Development activities within a County, Enterprise Florida has been designated One Okaloosa (EDC of Okaloosa County) as the primary organization to receive lead referrals from & to work with Enterprise Florida.  
(attach additional docs if any)

**Check One:**

- The item is available only from **ONE** vendor (sole source justification is above or attached).
- Federal Awarding Agency or Pass Through Agency authorizes noncompetitive negotiations (letter of authorization is attached).

**Requesting Department Director Signature (or authorized Designee)**

**Date**

**REVIEW BY OMB AND PURCHASING**

Approved:

**OMB and Purchasing Department Comments:**

Denied:

**OMB Director Signature**

**Date**

## **MEMORANDUM**

**Date:** January 5, 2022  
**To:** John Hofstad, County Administrator, Okaloosa County  
**From:** Nathan Sparks, Executive Director, One Okaloosa EDC  
**Subject:** FY 2021 Annual Report

As you are aware, the Marketing Services Agreement between the Okaloosa County Board of County Commissioners and the Economic Development Council of Okaloosa County (DBA One Okaloosa EDC) includes a provision stating that we will provide an Annual Report to the County. As provided for within the Agreement, the Annual Report should detail how County funds were spent and the results of these efforts. In addition to providing the Commission with the required information, this report is intended to provide Okaloosa County with additional insight into our organization's programs, strategies and successes.

### **Use of County Funds**

In fiscal year 2021, Okaloosa County invested \$140,643 in One Okaloosa EDC. This amount equated to 23% of One Okaloosa's total operating budget, with other sources of funding being allocations of varying amounts from Okaloosa County municipalities, along with contributions from educational partners and private sector investors (members). In addition, One Okaloosa received restricted grant dollars awarded through the State of Florida's Defense Reinvestment Grant (DRG) program and unrestricted revenue from the TeCMEN Industry Day.

The approximate breakdown of how County funds were utilized is as follows:

- 25% for existing industry expansion and retention
- 13% for workforce development initiatives
- 33% for strategic marketing outreach and industry recruitment
- 29% for defense support and advocacy

Specific insight into the various programs and activities within each of these four areas follows below.

### **Existing Industry Expansion and Retention**

Following the unprecedented public health and economic challenges resulting from COVID-19 during FY 2020 – and the considerable time and energy that was devoted to assisting businesses that were navigating these new realities – FY 2021 saw One Okaloosa's existing industry support activities return to a more typical level. While 37% of the support received from Okaloosa County went to fund One Okaloosa's existing industry support initiatives in FY 2020, 25% of County funds were utilized in this manner during FY 2021.

## One Okaloosa Economic Development Council

Specific initiatives undertaken over the past year included:

- Facilitated monthly educational and networking opportunities through the One Okaloosa EDC's TeCMEN committee
- Hosted a series of professional development webinars for Okaloosa County businesses. Topics included: *"Building a Winning Career in a Technical Profession"*, *"Using Branding & Technology to Reach Customers & Attract Talent"* and *"Creative Employee Retention in a Competitive Environment"*
- Hosted Roundtable breakfast – *"The U.S. Economy: Where Do We Go From Here?"* featuring Adrienne Slack, US Federal Reserve Bank
- Continued BEST (Business Expansion Support Team) initiative, interviewing 21 local businesses with operations in the manufacturing, technology and defense sectors. Published a summary report of aggregated findings in Summer 2021 and distributed to local elected leaders.
- Developed new Small Business Spotlight feature on One Okaloosa EDC's *Startup Okaloosa* website to share best practices and key lessons from successful local entrepreneurs. Companies featured during 2021 included TJ's Chillin' Treats (Mary Esther), Fortis Fitness Studio (Mary Esther), YenYou (Niceville), Hub City Smokehouse (Crestview), CRC Data Technologies (Destin), Murphy Redd Marketing (Niceville), Happy Planet Cleaners / Latin Flair Events (Fort Walton Beach) and Verus Heath Partners (Fort Walton Beach).
- Continued strategic partnership with FloridaMakes providing additional resources and expertise to Okaloosa manufacturers participating in TeCMEN
- Collaborated with the Okaloosa County Board of County Commissioners to recognize the positive impact of manufacturing by designating October 2021 as "Manufacturing Appreciation Month"

### **Workforce Development Initiatives**

While COVID-19 resulted in the rapid escalation of Okaloosa County's unemployment rate – spiking from 2.7% in February 2020 to 13.3% in April of the same year – local unemployment now stands at 2.9% as of November 2021. Okaloosa is currently tied for the third lowest among Florida's 67 counties. The tight labor market continues to put pressure on wages, thus impacting businesses across all sectors. In addition, many businesses – especially those seeking higher skilled professionals – have shared that they have "doubled down" on talent recruitment efforts, with many working to attract individuals from well outside the local area.

Specific Workforce Development initiatives undertaken by One Okaloosa EDC in FY 2021 were as follows:

- Enhancement of the Talent Attraction Portal found on One Okaloosa's website. Added information on private / parochial school options. Also developed and launched a new Preferred Provider Directory spotlighting local service providers within 10 specific sectors.

## One Okaloosa Economic Development Council

- Partnered with HSU Educational Foundation, the Okaloosa County School District and Rocky Bayou Christian School to host 22 area high school students for interface with manufacturing / technology sector employers at the 4<sup>th</sup> Annual TeCMEN Industry Day on April 22, 2021
- As a result of the BEST 2020-2021 existing industry survey initiative, hosted a Capstone workforce development breakfast in August 2021 designed to foster additional conversation and collaboration between industry representatives and workforce development / education partners
- Championed the needs of local employers, as well as those considering the area, through involvement on the board of CareerSource Okaloosa Walton and CareerSource's Business Competitiveness Council.
- Actively worked to bridge the divide between separating / retiring military personnel and the private sector. Surveys of transitioning military members undertaken through the One Okaloosa's Tri-County Community Partnership Initiative are now finding that more than 50% of these talented individuals plan to remain in the local area for their post-military careers (up from 36% in 2015).
- Assisted CareerSource Okaloosa Walton with identifying internship opportunities for transitioning military members participating in the US Department of Defense SkillBridge program

### **Strategic Marketing / Industry Recruitment**

As Okaloosa County's primary economic development organization, One Okaloosa EDC is tasked with being the chief promoter of community assets to external audiences including corporate site location consultants and decision makers in targeted business and industry sectors. While COVID-19 related cancellations and travel restrictions impacted our planned external marketing program during the first half of FY 2021, a more normal rhythm was achieved by the late Spring / early Summer. Further, after being virtually non-existent in FY 2020, economic development prospect activity / site searches also made a welcome return in FY 2021.

The organization undertook the following activities and achieved the following successes during FY 2021:

- Initiated and assisted 42 new investment leads / projects for FY 2021 resulting in 15 site visits (up from 6 in FY 2020) with site selection consultants and decision makers
- Supported two Economic Development Ad Valorem (EDATE) incentive applications for Projects Dunk and Blue Waves
- Supported a successful UWF Industry Resilience & Diversification (IRDF) grant application for US Meltblown in Fort Walton Beach and a successful USDA Meat and Poultry Inspection Readiness Grant (MPIRG) for Big Creek Farms in Laurel Hill
- Worked with Okaloosa County Board of County Commissioners to recruit Dunkin' franchisee Purple Square Management to invest \$4.5 million in the construction of a 24,500 SF state-of-the-art commercial bakery and distribution facility that will employ 60 individuals in the Okaloosa Industrial Air Park



## One Okaloosa Economic Development Council

- Developed new Shoal River Ranch Gigasite marketing materials, including site concept renderings and a new trade show display
- Partnered with Florida's Great Northwest to host four prominent site selection consultants and three Enterprise Florida project managers for the "Beyond our Beaches" northwest Florida asset familiarization tour held at The Henderson
- Attended the Site Selectors Guild annual conference in Orlando and presented information on Okaloosa County workforce and industrial site assets
- Delivered a presentation focused on the Shoal River Ranch Gigasite to the Society of Industrial and Office Realtors (SIOR) Gulf Coast Chapter during their annual conference held at Sandestin
- Collaborated with economic development partners in Escambia and Santa Rosa Counties to jointly fund and execute a prospect meeting program in Indianapolis, Cincinnati and Detroit - resulting in seven prospect company presentations in a wide range of industry sectors
- Exhibited at the National Defense Industry Association Air Armament Symposium (NDIA) event in Fort Walton Beach

### **Military Support & Partnerships**

According to Enterprise Florida's 2022 Florida Defense Fact Book that will soon be released, the Department of Defense is responsible for more than 73,000 jobs in Okaloosa County and an overall economic impact of \$9.2 billion. As such, the defense sector remains a primary driver of the local economy. In recognition of this impact, the One Okaloosa remains committed to serving as a champion for - and partner to - the many military missions that call Okaloosa County home. One Okaloosa's Defense Support Initiatives (DSI) committee has been in existence for more than 20 years, and is widely-regarded as one of the finest examples of community/military collaboration around. By working to sustain and grow area military missions, the DSI is committed to the success of one of our area's most valued economic engines. Likewise, the One Okaloosa's Tri-County Community Partnership Initiative (TCPI) has provided a regular forum since 2014 for potential partnership opportunities benefiting both local military installations and the community to be identified, discussed and implemented. One Okaloosa's FY 2021 defense support activities included the following:

- Continued Federal legislative outreach in support of extending the moratorium on oil drilling in the eastern Gulf of Mexico
- Through One Okaloosa EDC's Defense Support Initiatives (DSI), developed a comprehensive legislative position paper speaking to key Federal funding priorities for local military installations and missions.
- In support of the FY 2022 National Defense Authorization Act (NDAA), conducted virtual issues briefings with representatives from the offices of Congressman Gaetz, Congressman Dunn, Congressman Murphy, Congressman Diaz-Balart, Congressman Franklin, Senator Rubio and Senator Scott

## One Okaloosa Economic Development Council

- Utilized One Okaloosa EDC's Tri-County Community Partnership Initiative (TCPI) to tackle key community challenges faced by installations and service members. Stood up new Purple Star Schools task force and championed passage of legislation creating a new statewide "Purple Star Campuses of Distinction" program recognizing public, private and parochial schools who go above and beyond in their support of military families.
- Kicked off a community-wide TCPI "Ideas Refresh" process led by the Office of the Assistant Secretary of the Air Force for Energy, Installations and the Environment (SAF/IE).

### Conclusion

While COVID-19 dominated the landscape (and One Okaloosa EDC's work program) during FY 2020, FY 2021 provided a return to more balanced programming. Point in question, while 37% of One Okaloosa's work program was dedicated to Existing Industry Outreach (including COVID-19 support) during 2020, only 25% of our work program was dedicated to this business segment during 2021. Likewise, while economic development recruitment and external marketing / promotional activities were severely impacted by the pandemic during 2020 (with many events being canceled and a large number of prospects shelving their expansion plans in light of the uncertainty), the latter half of 2021 saw a return to a more normal level of activity – both in terms of marketing events and prospect site searches. In fact, with 33 active projects, One Okaloosa's current pipeline of prospect recruitment / expansion projects is the largest it has been in nearly a decade.

While 2020 saw Okaloosa County's unemployment spike to north of 13% during the early days of the pandemic, job growth has accelerated rapidly, with more than 4400 net new jobs created county wide last year. Of particular significance, 1,146 of these new jobs were created in EMSI Sector 901200 (Military/Defense), which allowed Okaloosa County to satisfy the required Triumph Gulf Coast 10 year job creation metric for the SR 85 Bypass grant a full eight years early.

On the other hand, Okaloosa's extremely tight labor market, relatively limited supply of affordable housing and lack of available industrial buildings continue to present some obvious headwinds. Speaking specifically of the latter, many prospects we interface with are seeking expedient, cost-effective real estate solutions in order to try and insulate themselves from escalating materials costs and the time required to complete new construction projects. That being said, the unique County-owned land assets available at Bob Sikes Airport and the Shoal River Ranch Gigasite, in particular, are still garnering their share of interest. These developments are well positioned to attract companies with a unique set of requirements that won't likely be found with an existing facility. Provided that there is some resolution to the current affordable housing shortage, it is our opinion that Okaloosa's steady stream of separating military members – coupled with our continued ability to leverage notable differentiators like Triumph Gulf Coast and the Governor's Jobs Growth Grant Fund – will bode well for our community's continued economic growth.



June 14, 2022

Mr. John Hofstad  
County Administrator  
Okaloosa Board of County Commissioners  
302 Wilson St N # 302  
Crestview, FL 32536

Dear Mr. Hofstad:

One Okaloosa EDC is grateful for our long-standing partnership with the Okaloosa County Board of County Commissioners (BOCC). Over the past year our team has worked hand-in-hand with Okaloosa County on a number of vital initiatives – including applying for the Florida Jobs Growth Grant Fund, resulting in \$3.2 million to support critical infrastructure needs at the Shoal River Ranch Gigasite. These funds, combined with County resources and those of Triumph Gulf Coast, will ensure that Shoal River Ranch provides a shovel-ready site envelope with opportunity that is unmatched in northwest Florida.

In addition, One Okaloosa EDC and Okaloosa County BOCC partnered to secure private sector commitments of new jobs and capital investments. Specifically, Purple Square Management / Dunkin' Brands committed to locate a new \$4.5 million commercial bakery on County-owned property near Bob Sikes Airport in Crestview, while Boeing Global Services selected Fort Walton Beach for a \$2.55 million competitive expansion project.

During the course of the past year, One Okaloosa also led a comprehensive refresh of the Tri-County Community Partnership Initiative (including the establishment of 10 new Work Groups covering topics ranging from Workforce Housing to Childcare), hosted the 5<sup>th</sup> Annual TeCMEN Industry Day showcasing the area's manufacturing and technology sector, undertook Federal advocacy in support of Okaloosa's vital military missions and partnered with the County to recognize our 200+ local manufacturers through the designation of October as "Manufacturing Appreciation Month"

As we look ahead to FY 2023, we readily acknowledge the economic headwinds that our county, state and nation are currently facing in light of soaring inflation, supply chain issues, fuel price spikes and hiring challenges. That being said, we remain firmly committed to staying the course while continuing to properly serve our mission of supporting and growing Okaloosa County's economy. To assist us in this important work, we respectfully request to maintain our current funding level of \$152,873 in FY 2023. Thank you in advance for your kind consideration.

Sincerely,

A handwritten signature in black ink that reads "Nathan Sparks".

Nathan Sparks, CEcD  
Executive Director