

Jump Start Plan X Meeting Summary, August 6th

Present at the meeting were Nolia Brandt, Judy Jones-Colston, Tony Carvajal, Dorothy Bland, Mike Pate, Cynthia VanLandingham, Rob Nixon, Farhood Basini, Rachel Gustafson, Linda Nocholsen, and Heidi Otway.

The Jump Start Plan X Committee confirmed its desire to give small businesses what they need to get their businesses up and running and summarized their mission as follows.

**“To Make Tallahassee the Most Small
Business Friendly Community
East of the Mississippi!”**

Members also confirmed their commitment to staying on track with the committee’s major goals: innovative financing, co-location of services, small business survey, and are still exploring the possibility of a business incubator.

Summaries of Presentations from Guests –

Linda Nicholsen: Incubator, Innovation Park

The Innovation Research and Development Park was set up under Florida statute to help get small businesses and technology jump started in Tallahassee by creating jobs, diversifying the tax base and enhancing research at the universities. Having an incubator is one of the Park’s goals. Many Research and Development Parks have incubators to give the faculty a place to go and to improve the community. However, incubators also need funding. Innovation Park has teamed up with the Florida A & M University Small Business Development Center, whose regional director is Robert Nixon. Innovation Park provides the SBDC with space at the park for networking and the SBDC does consulting for businesses. The incubator currently has over 4 tenants who are both private businesses and public agencies. Two are technology related and are located next door to SBDC at the Park.

Although it is not tied to the incubator, Innovation Park also accepts applications for their Technology Commercialization Grant Program, which sets funding aside for small businesses that are ready to commercialize. The goal of the Technology Grant Program is to help jump start a business that has the potential to create jobs in Leon County. So far all of the companies who have received this grant are still in business here in Tallahassee.

Robert Nixon: Regional Director of the Florida Small Business Development Center at Florida A & M University.

Robert's background is in economic development and he began his career with Enterprise Florida. He said the SBDC is funded by the United States Small Business Administration and the university provides the matching funds for this grant. Their objective is small business growth and development through training and loan programs, including micro loans. Together with Innovation Park, the SBDC seeks to create a destination for those in the University looking to commercialize their projects, and also actively looks outside the university to assist businesses in the community. This includes monthly visits providing support and help with business and financial plans and projections, as well as providing a network connecting entrepreneurs to needed resources and expertise. In addition they operate a small business enterprise training program to assist small businesses in doing business in Leon County. One of their most popular programs aims to assist small contracting businesses. He also noted a need to educate the community on what economic development is.

Questions from Committee Members -

Committee member, Dorothy Bland, asked for clarification of the discussion regarding the 7 entities that have incubators and what those are?

Robert Nixon said that he would send Dorothy a list of those. He said generally they are based on a European model set up for cluster development where a number of IT incubators are able to support each other by sharing resources and a client pool. There are three at Innovation Park and Florida State University set up to commercialize their technology in high end research, as well as a small research retail plaza that has a number of retail shops in Gadsden County.

Tony Carvajal asked, "What costs are involved with incubators?"

Linda Nocholsen said the costs are for subsidized rents. Usually someone donates funding or land, and for Federal funding matching funds are required. They have looked for partners and are still actively searching. Robert asserted that you can never have enough incubators if they have a specific focus and are organized to address specific needs in the community. He said that in their partnership with Innovation Park they address specific industry needs. Tying incubators to specific 3 to 5 year missions allows them to determine if they have a viable business enterprise, but that no incubator makes money initially. Seeking cooperatives to provide funding is part of their mission.

He also said there are limitations to the “bricks and mortar” approach of providing space, which doesn’t provide for operational expenses. Rob also indicated space requirement for turning a profit are between 25 and 30,000 square feet. They currently have about 7000 square feet.

Farhood Basini, adjunct professor, added that some of the businesses are losing money, even though they are not paying rent and that they stress the need to become sustainable.

Dorothy Bland asked, “How is this related to co-location? Could we partner for co-location with Innovation Park?”

Robert asserted that duplication of resources would allow them to reach a larger client base, and that the SBDC has purchased new materials to duplicate their library at the Smith Williams Center as well as at Innovation Park. He said that Innovation Park can be out of the way for many people, that he was not able to secure space at City Hall where business registration and licensing are located, or the Renaissance Center. He suggested that rather than co-location, it might be more advantageous to duplicate services and resources, and said the disconnection for businesses seems to occur at the point of acquiring licensing.

Judy Jones-Colston said, “I think it is critical that the power structure and agencies play a role making this (co-location) happen.”

“The regulatory process is not business friendly, but not by intention. Registration and permitting, and other issues are confusing for businesses who cannot afford to hire a consultant to help them. Therefore you can’t eliminate the City and the County as partners in this effort to support new businesses. We need to do better at leveraging the private and public sector in Tallahassee. So far no one has come to the private sector with a plan.”

Tony Carvajal asked, “Is there a model where it is done better?” The City of Orlando was suggested. Mike Pate asserted that cities such as Orlando have a larger tax base to work with, making it difficult for Tallahassee to duplicate their efforts. Robert Nixon suggested the City of Orlando could be used as a model if done to a scale.

Nolia Brandt said, “The Boxcar location will happen down the road. She also suggested that to get the co-location up and running they would need to first focus on Leon County.”

Farhood Basini said he personally would prefer to get the information he needs on-line, while Rachel Gustafson from Student Communications at FSU said she would prefer a person(s) who could help walk her through the process.

Next Steps Toward the Committee's Three Major Goals.

Co-Location of Services Goal -

Current Status: After further discussion the committee agreed to pursue a once a month, four-hour space of time at the Library on Park street for co-location at this time. No fee would be charged to businesses for this service. Agency Participation at the one-stop would include the Greater Tallahassee Chamber of Commerce, Capital City Chamber of Commerce, Economic Development Council, Florida State University's Jim Moran Institute, FAMU Small Business Development Center, Permitting and licensing agencies, Tallahassee Community College, Keiser College, Workforce Florida, Workforce Plus, and those entities named by respondents of the Small Business Survey.

Small Business Survey Goal - .

Current Status: Dorothy Bland said there were 21 responses from businesses and she will continue to seek feedback from businesses through the Survey. She will email the survey to Heidi Otway from the Herrle Communications Group who agreed to help get the survey out to other groups of potential respondents. Rob Nixon suggested calling businesses to get their input over the phone.

Innovative Financing Goal –

“work to create more flexible financial resources that will meet the unique needs of local small businesses.”

Current Status: Plans are underway to set up a Financial Symposium by October or November to talk about financing options for small businesses, and to provide the community with knowledge of the tools available for small business financing. Judy and Nolia are working on this and noted that financial institutions in Tallahassee don't necessarily know what community banking means and what they would need to do. These things would be covered at the Financial Symposium, and that their ultimate goal is to create a Community Bank as a tool to effectively finance small business development. Judy also said on August 10th there will be an on-line webcam covering the business application process. She will provide members with a link to this. Cynthia VanLandingham will make this available on the blog.

Business Incubator Goal –

Current Status: The business incubator goal is still being considered. The committee will continue to seek input for developing a business incubator plan that could be taken to the private sector for consideration. Robert recommended the list of small business

resources be updated. He also suggested talking to Steve Liner, from the Tallahassee Democrat's Business Matters section on what they think is important for businesses.

Next Jump Start Plan X Meetings Scheduled

Monday, August 27th, 3:00 p.m.

Jacobs on the Plaza

Double Tree Hotel

101 S. Adams Street

Friday, September 14th – next meeting of full KCCI committee

12:00 – 1:30 p.m.

Residence Inn on Gaines Street

Knight Creative Community Initiative Jump Start Plan X Committee Members:

Tony Carvajal

Matrell Hawkins

Dorothy Bland

Mike Pate

Judy Jones Colston

Nolia Brandt

Cynthia VanLandingham