

**NORTH BREVARD ECONOMIC DEVELOPMENT ZONE (NBEDZ)
SPECIAL DISTRICT BOARD, GOVERNING BODY OF THE SPACEPORT
COMMERCE PARK AUTHORITY MINUTES**

April 13, 2018 @ 8:30 a.m.
Parrish Medical Center - Health Village West/Heritage Hall
931 N. Washington Avenue
Titusville, Florida 32780

Board Members:

In Attendance: Micah Loyd, George Mikitarian, Donn Mount, and Louis Sanders

Absent: Dan Aton, Robert Jordan, Al Matroni, and Stan Retz

Telephone: Dr. Brenda Fettrow

Call to Order: Meeting was called to order at 8:32 a.m. by George Mikitarian, Chair.

Pledge of Allegiance: Walt Johnson, City of Titusville Mayor, led the assembly in the Pledge of Allegiance.

I. Approval of Agenda:

Troy Post, CEcD, CBE, NBEDZ Executive Director, advised he pulled New Business Item Application for Assistance for Project Grand off the preliminary Agenda because more time is needed on the application; and it will return on the Agenda in May.

Motion by Micah Loyd, seconded by Donn Mount, to approve the Agenda as presented. Motion carried and ordered unanimously.

II. Report on Expenditures to Budget:

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated the Line Item for Grants and Aids amount has increased; the last disbursement for Embraer has not been done yet; he received some detailed personnel information from them; there still has to be a field observation made before being issued; and that disbursement will be going out in about one month.

Motion by Micah Loyd, seconded by Louis Sanders, to approve the Report on Expenditures to Budget as presented. Motion carried and ordered unanimously.

I. Approval of Minutes:

Motion by Donn Mount, seconded by Louis Sanders, to approved the meeting minutes of December 12, 2017, and January 12, 2018. Motion carried and ordered unanimously.

III. Staff and Partnership Reports:

NBEDZ Executive Director Report

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated he exhibited for the second consecutive year at the leading aviation industry trade show called *MRO Americas* event in Orlando; the networking drew over 10,000 attendees and exhibitors, including Embraer and Professional Aircraft Accessories; he joined the Cities of Titusville and Cocoa, and the Space Coast Regional Airport; he spoke with companies interested in North Brevard, ranging from partnering with existing aviation firms, and the new projects at Titusville-Cocoa Airport Authority (TICO); and he provided the Zone board with a sample of the aviation sector firms flyer *Communities of North Brevard*. He advised he is still working on the comprehensive feasibility study for the proposed indoor sports arena in Titusville; and he is continuing his discussions with the housing development group about its desire to develop approximately 178 acres south of the Spaceport Commerce Park (SCP) by Exit 212 of I-95 into light industrial/distribution. He mentioned attending an Emergency Management Coordinators meeting at the Emergency Operations Center and he was assigned to the business, industry, and economic stabilization for Emergency Support Function (EFS); and he attended a meeting with JEL Site Development for consideration of a proposal to add light industrial spec-space near State Road 405.

GTR Executive Director Report

Cathy Musselman, Greater Titusville Renaissance (GTR) Executive Director, stated she is working on a series of workshops about being an entrepreneur for COlaunch, held every three weeks through August; and she will be using the Small Business Administration (SBA) training format. She mentioned Keep Brevard Beautiful (KBB) and GTR combined held the Trash Bash last weekend; a mural was added along the bike trails at the Twin Palms Hotel property; she coordinated an Easter egg hunt event on March 31 at Titus Landing, it had over 1,200 people attend; and she is continuing to work with Troy Post, CEcD, CBE, NBEDZ Executive Director, at the Port St. John entrepreneur community meetings.

Titusville Economic Development Department Report

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated Edyie McCall, Economic Development Director, and he attended the *MRO Americas*; she asked him to mention the Opportunity Zone Program that is a federal tax law just signed; every state has the chance to designate certain Census tracts for qualification of the Program; the City of Titusville has nominated seven tracts; and once the tracts are eligible the Governor will decide which ones to choose.

George Mikitarian, Chairman, inquired what the definition of a tract is. Scott Larese, City of Titusville's City Manager, replied it is similar to the HUBZone Program, except it is with Census data on income specific; and he explained they are trying to stimulate in other ways than the traditional HUBZone.

IV. Discussion and Direction

Proposed Fiscal Year 2018-2019 Budget:

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated in the Line Items for Health Insurance Premium has 2.5 percent increase, Travel and Per Diem has increased 16.19 percent, Communications and Freight is up by 22.22 percent, and Operating Expenses has an increase of 2.16 percent; in Capital Renovations there is another \$35,000 for possible signage at the Spaceport Commerce Park (SCP); Capital Outlay is showing a large percentage but the dollar amount is under \$300,000 that is to continue the progress for the pad ready project; but that particular analysis does not show the recent Budget Change Request (BCR) approved by the Board of County Commissioners this last week, which allows for doing the Blue Origin payment, and shifting over another \$200,000 to cover the pad ready project. He advised later in the spring the final Certificate of Occupancy (CO) will be issued for Blue Origin; that will be the trigger for the Zone to go ahead and make the first installment payment of \$1.37 million to the company while going through the validation suit; and he anticipates next year being successful with the validation suit and wrapping up some type of bond mechanism on the Blue Origin deal, and ending up with a \$6.7 million note. He went on to say taking that note into account and what is being paid on the Titus Landing Project, which is already underway because the City of Titusville incurred that debt last year, the allocation is noted of what is thought to pay, assuming a full-year of principal and interest on both Projects is \$1.5 million; Grants and Aids is down slightly and is used for new and existing Projects; and Lockheed has purchased the former USA building and some of the monies are earmarked for its incentive. He advised the revenue estimate for incremental tax is just over \$2.9 million allocated to the Zone; miscellaneous revenue estimated from COlaunch is \$10,000; the total revenue is just over \$3 million; and the estimated balance forward amount is \$500,000. He asked the Zone board to take the proposed FY18/19 budget with them for its review; and he will bring back the proposed budget at next month's meeting.

V. New Business

Proposal for Services for Real Estate Appraisal of Spaceport Commerce Park

Troy Post, CEcD, CBE, NBEDZ Executive Director, provided the Zone board with a schematic of the Spaceport Commerce Park (SCP) showing 19 lots in yellow; and he stated the next page is a schematic showing how the lots are platted under a preliminary plat provided by the City of Titusville. He went on to say the County has a Continuing Service Contract with Clayton Roper Marshall (CRM); CRM was asked to give an evaluation of parcels in SCP; and he explained the reason for not recording the plat in SCP is because of needing flexibility to work with a prospect, and to adjust for its sizing needs before recording. He advised of one element in the appraisal report is to help justify giving an incentive or to approve a contract that may be offered at fair market price; the second element is for CRM to consider SCP's value as it is laid out now; element one is anticipated to not exceed \$7,500; and element two is anticipated to be about \$5,000. He recommended for the Zone board to approve up to \$15,000 for the scope of services.

Motion by Micah Loyd, seconded by Dr. Brenda Fettrow, to approve using CRM for the real estate appraisal of Spaceport Commerce Park (SCP) in the amount not to exceed \$15,000. Motion carried and ordered unanimously.

Request for Matching Funds – East Central Florida Regional Planning Council:

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Troy Post, CEcD, CBE, NBEDZ Executive Director, stated strategic initiatives are part of the Economic Development Plan and this item is related to identifying and participating in the development of infrastructure projects that are directly attributed to job creation and economic development; he received a letter from the Economic Development Program Manager of East Central Florida Regional Planning Council (ECFRPC), requesting a match in funding to complete the State Road 405 Causeway Valuation Project, that connects mainland Brevard County with the City of Titusville, and serving as an evacuation route for barrier island communities; and the integrity of the Causeway may be impacted by increased flooding and storm surges due to its low elevation and base material. He went on to say this has been recognized as a critical issue for the competitiveness of Florida's aerospace industry; the ECFRPC is working on a proposal to the Economic Development Administration (EDA) to develop an economic valuation analysis of the Causeway; and this is to help make the case to attract partnerships and funding to improve the infrastructure. He stated if the ECFRPC is successful in the EDA process, they would be competing across the nation; the ECFRPC estimates the Project to cost approximately \$45,000; it would be funded through a federal economic disaster supplement grant; the EDA would pay for 80 percent of the Project's cost; and, therefore, they are asking for \$9,000 from the NBEDZ to help fund the required 20 percent match.

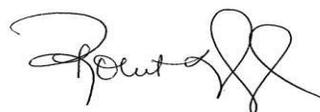
Micah Loyd indicated the purpose is to get it to the Florida Department of Transportation (FDOT) to accelerate the project.

Marcia Newell, Legislative Aide to Commissioner Rita Pritchett, stated she attended the Space Coast Transportation Planning Organization (TPO) meeting yesterday; NASA is funding the design, which they are working with FDOT on; there are no funds committed for the construction; it is going to be a 'D' rated bridge for large trucks in 2021 because the current payloads cannot be handled anymore on the existing bridge; and TPO is applying for an infrastructure grant, but FDOT has to commit some funds. She added the argument is that it is not FDOT's and if they put some funds in, they will take it over and maintain it from now on.

Motion by Dr. Brenda Fettrow, seconded by Micah Loyd, to approve the matching fund request amount by ECFRPC of up to \$9,000; and to authorize ECFRPC to reapply for additional funding from the Zone if the currently applied for infrastructure grant is not successful after the first attempt. Motion carried and ordered unanimously.

Walt Johnson, City of Titusville Mayor, provided the Zone board with a handout of the City of Titusville's efforts to Save Our Lagoon Restoring the Indian River Lagoon report.

Upon consensus, the meeting adjourned at 9:36 a.m.



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Robert Jordan, CM, Secretary/Treasurer

Approved on August 10, 2018.