

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

April 24, 2015 @ 8:30 a.m.
Parrish Health Village West/Heritage Hall
931 N. Washington Avenue
Titusville, Florida 32780

Board Members:

In Attendance: Dan Aton, Paula Cardwell, Robert Jordan, Micah Loyd, George Mikitarian, Donn Mount, and Louis Sanders

Telephone: Brenda Fettrow and Stan Retz

Call to Order: Meeting was called to order at 8:30 a.m. by George Mikitarian, Chairman.

Pledge of Allegiance: Robert Jordan, Secretary/Treasurer, led the assembly in the Pledge of Allegiance.

VI. Business Items:

New Business:

Troy Post, CEcD, NBEDZ Executive Director, stated the North Brevard Economic Development Zone (NBEDZ) is the governing body of the Spaceport Commerce Park (SCP); today the Zone will consider an item of business relating to the Zone's responsibility as the authorized agent for SCP; if the Zone takes action today to approve an incentive package for Project Eagle, it will be on the Board of County Commissioners (BOCC) April 24 Agenda for its consideration; and he provided the Zone board with information that is being made public today. He added, the confidentiality of the client is being kept confidential; each Zone board member has been briefed; there are two resolutions in the package for consideration today, one is incentivizing this project for grant assistance of approximately \$2.5 million, and two is the actual use of land assistance; and the package also includes the Economic Impact Analysis (EIA) from the Economic Development Commission of Florida's Space Coast (EDC).

Greg Weiner, CEcD, Senior Director Business Development at Economic Development Commission of Florida's Space Coast, stated each Zone board member was briefed to ensure those charged with making decisions had sufficient information to make the decision they choose to make. He stated the Agenda Report information for the BOCC reads Project Eagle is a publicly traded company with over 5,000 employees; the company has been and is profitable, with above average operating margins, and has been in business for over 20 years; Project Eagle will involve the construction of a facility to be used for the design and manufacture of a high-tech product; the company is considering a site in the SCP, which will require the construction of a new building approximately 50,000 square feet; and the NBEDZ is the authorized agent of the County for developing or inducing the development of County owned lots within SCP. He stated

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Project Eagle plans to create 150 jobs, with an average wage of approximately \$48,000 each, and to cause to be invested \$3.5 million in new capital investments; additional contracts could produce the need for an additional employee headcount; offsetting development costs is critical to this project; and the proposed NBEDZ support would be in the form of a \$2.2 million grant to offset the costs of constructing the new facility in Titusville, along with the provision of a suitably sized County owned lot in SCP, and approximately 15 acres cleared and prepped for construction, an undertaking that is not expected to exceed \$300,000. He stated the NBEDZ's money for building construction would be provided in phases, so as to ensure progress toward building completion; and the land would remain in title to the County, with the company executing a long-term ground lease at \$1 a year for 10 years, and holding an option to exercise full fee simple ownership of the property at the end of year 10 of the lease term; and that option will be exercised only if the company meets the obligations that are a part of project proposed to the EDC.

Mr. Post advised the Zone board there are two resolutions to be considered; one is the Zone to approve providing a provision of a grant award incentive to Project Eagle in an amount expected to be \$2.5 million; and two is for the land approving the execution of a ground lease contract by and between the Zone and Project Eagle for the use of an approximate 15-acre site in SCP, with the understanding that the term of the ground lease would extend for a period of 10 years and at the end of the 10 years, the company would have the option to purchase it for a nominal consideration.

Donn Mount inquired how nominal consideration is determined. Mr. Weiner responded as he indicated in the briefings, there is signed Memorandum of Understanding (MOU); the nominal consideration is part of formatting for providing the parcel, that if job creation is met, nominal consideration could be \$1 to \$100; but if job creation is not met, the purchase would be at fair market value.

Robert Jordan, Secretary/Treasurer, inquired if the Zone will show the BOCC how the Zone's money is going to be spent. Mr. Weiner responded some of the details are protected in confidentiality until Project Eagle is formally announced; he stated the money that is being provided is going towards the construction of the building; and the company will be putting approximately \$1.5 million of their own money towards the building, plus \$2 million for equipment. He explained the way the model works for the EIA is entering the number of employees into the industry sector multiplier, by capital investment, number of jobs, and industry wages; that generates the estimates of given impact; the direct impact for 150 jobs is \$21 million annually, the indirect jobs are 86, and the induced jobs are 65; and the estimated total annual impact is estimated to be \$33 million plus. He went on to say there are two models EDC used for purpose of analysis based on information supplied by Project Eagle; one is using IMPLAN Professional 3.1 for economic input calculations; two is using Regional Economic Models, Inc. (REMI); and abatement and millage numbers are estimated final numbers determined by the Brevard County Property Appraiser Office. Mr. Jordan inquired if the phases of money given are laid out in the contract. Mr. Weiner responded affirmatively; and he stated the details of the contract will remain confidential for six months before announcing who the company is. Mr. Jordan inquired if the phases of money given will be laid out in the contract. Mr. Weiner responded affirmatively.

Paula Cardwell stated there are a parent company and a subsidiary company; and she inquired if there are follow up opportunities for the parent company to consider Florida as

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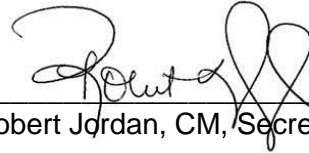
a viable option to move its enterprise. Mr. Weiner responded he thinks there is a chance the parent company could consider the Titusville location for a future location.

Mr. Mount inquired what the timeframe of the Project is. Mr. Weiner responded once the incentives are approved there will be a development agreement and he expects Project Eagle's announcement in about 30 to 45 days.

Motion by Robert Jordan, Secretary/Treasurer, seconded by Paula Cardwell, to approve the Resolution approving a grant award from the North Brevard Economic Development Zone (NBEDZ) for Project Eagle. Motion carried and ordered unanimously.

Motion by Robert Jordan, Secretary/Treasurer, seconded by Paula Cardwell, to approve the Resolution approving the execution by the North Brevard Economic Development Zone (NBEDZ) Special District of a ground lease in the Spaceport Commerce Park (SCP) for Project Eagle. Motion carried and ordered unanimously.

Upon consensus, the meeting adjourned at 8:59 a.m.



Robert Jordan, CM, Secretary/Treasurer

Approved by the Board on June 12, 2015