

NORTH BREVARD ECONOMIC DEVELOPMENT ZONE
SPECIAL DISTRICT BOARD MINUTES

JANUARY 27, 2012, 8:30 a.m.

District 1 Commission Office

400 South Street, Suite 1A

Titusville, Florida 32780

Board Members:

In Attendance: Dan Aton, John Beasley, Brenda Fettrow, Robert Jordan, Micah
Loyd, Stan Retz, Louis Sanders

Absent: George Mikitarian, Donn Mount

Call To Order:

Meeting was called to order by Vice-Chair Fettrow at 8:32 a.m. and absence of Chair noted. Introduction of members and persons present.

I. Approval of January 13, 2012 Minutes

The Minutes were approved as presented (Attachment A).
Speaker cards available at table outside the door.

II. Approval of City of Titusville Interlocal Agreement

The Interlocal Agreement (Attachment B) was presented to the group. Stockton Whitten reported that the City has already approved the Agreement. Chair Fettrow mentioned that any expenditure above \$50,000 would go before Titusville City Council for cash incentives, and Mark Ryan reiterated that this applies to Titusville's funds above \$50,000. Robert Jordan questioned why the zone board would need the city's approval. Discussion was held and explanation given. Titusville Interlocal Agreement was approved and the Vice-Chair will sign as presented. Vice-Chair Fettrow noted that Chairman Mikitarian was absent from the meeting.

III. Power Point Presentation

Greg Weiner presented and commented on the Power Point, *Commissioner Fisher and Mayor Tulley Discussion Points* (Attachment C). Mr. Weiner stated that there was a meeting held on January 24, 2012, with Commissioner Fisher, Stockton Whitten, Mayor Tulley, Mark Ryan, Laura Canady, and himself to come to some broad base of agreement. Mr. Weiner stated that this is not an EDC project and he is merely here to offer his assistance. He stated that Commissioner Fisher was wise to create the North Brevard Economic Development Zone as a tool to attract business, but cautioned that resources alone were not enough in this environment. He stated that "execution" is the most important element and that it begins with a Plan. He offered that there must be a vision, jobs must be a major consideration, and the Board must accept reality. Political considerations and personal philosophies should be put aside. When opportunities come along, the Board must be ready to act. He suggested: 1. that there be a detailed application with accountability measured against a yardstick, 2. That the use of the State's targeted industries be used as a template, and 3. that the Board look outside of the "Zone" for funding with a sub-committee set up for the purpose of seeking federal funding opportunities.

IV. Board Discussion

Discussion followed. Commissioner Fisher stressed that the Plan must have flexibility and extend beyond infrastructure to helping new small businesses and existing businesses.

Mayor Tulley: the Plan needed to be multi-dimensional and go beyond conventional wisdom. He stated that he respects the EDC but then he mentioned a quote. He would like to see the Board make up its own rules beyond convention and include non-conventional infrastructure that facilitates commerce, i.e. the world wide web. He would like to see an incubator in the north area and not leave any stone unturned.

Brenda Fettrow: as acting chair asked if there were any speaker cards. There were two. She then asked if there were any comments from the Board.

John Beasley: had a handout, and stated that he did not want to read it (Attachment D).

Stan Retz: the Board should not do what everyone else is doing, but would like ideas for the plan to choose from. He would like the plan to be balanced.

Micah Loyd had several questions:

- What is Industrial Revenue Board Financing and what does it mean? Greg Weiner stated that it is the ability to finance through the use of bonds. There usually is a size consideration. It is a tool and he just wanted to make them aware of it. The interest rate is currently small and not conducive to use. Mr. Weiner said that the "Zone" has a 30 year life cycle and the environment will change.
- What is a Micro Loan? Mr. Weiner stated they are small loans to businesses that banks wouldn't make. The procedure would be that "Zone" would make deposits in the bank, and then the bank would make the loan for the "Zone". These loans are usually around \$2,000.
- What are some of the assets to bring businesses to our area? Mr. Weiner stated that he personally came to Brevard because of the area's assets: low taxes, good airport which is actually a better asset than the Space Port Commerce Park. Do what Austin, TX, did and play your strengths.

Stan Retz: asked about the city of Titusville's CDBG small business loans. He stated that they would make a loan to a business that the bank would not. Mayor Tulley stated that he has been on the council for 7 years and in that time there have not been any of these loans. Mr. Weiner countered that he would not recommend putting a lot

of money into this initiative and that they should expect a percentage of failures. It does have the potential to grow smaller businesses.

Robert Jordan: everyone is trying to get the big guys. As a small businessman it was difficult for him to get a line of credit. Also, you can't forget about the existing businesses. A micro loan of \$2,000 would offer a small business a line of credit. Don't forget about your community's family: Greg Weiner did not agree with the press's statement that 90% of the jobs are created by small businesses. He said that you must believe you can attract the larger businesses; but be honest, some businesses are not worth pursuing. If you have site ready areas, and tax incentives you should be able to fight for bigger businesses.

John Beasley: stated that in 2 hours you can be in New York to find capital. A good business plan will receive a good welcome, but you must speak in specifics, not generalities.

Greg Weiner: first you develop a plan and then you develop a program.

Dan Aton: we have a short window to keep current skilled workforce. We must be able to make a micro loan quickly. The workforce however does not have the skills to attract capital.

Brenda Fettrow: Who do we want to attract to Brevard? Is this board's task to develop tools? Greg Weiner replied that the "tools" you use will determine who you attract. Don't start with "what you want". Start with "what can you attract?". The state of Florida is set up to make aero-space easier than bio-med.

John Beasley left meeting at 9:30 a.m.

Laura Canady: the EDC and the SEDC each have their own plans that they could share with the "Zone" board at a follow-up meeting. It might benefit the Board. The Board needs to synthesize their own tools.

Brenda Fettrow: it would be good to hear the EDC and SEDC plan ideas. Also, we must remember that the Port is a very big asset.

Greg Weiner: the vast majority of leads come from Florida. It is a good idea to realize this and chase the leads. "Prospecting for leads" doesn't usually pay off. Must remain results oriented.

Stan Retz: we've always had the assets, now we have the power of the "Zone" and it should be a game changer.

Robin Fisher: sat next to a Jet Blue guy last night who started a new company (search engine for family photos). Don't limit your leads to just Florida. Also, Exploration Park is not in the "Zone" but there may be opportunities if the Board would consider asking the Brevard County Commission to extend the Zone's boundaries to include Exploration Park, but not collect any intangible tax from that area. Stockton Whitten agreed that an extension of the Zone's boundaries would help in the development of the Plan. Greg Weiner stated that since the Park sits on federal property, there would be no ad valorem taxes collected.

Micah Loyd: is the boundary extension something to do now or later? Stockton Whitten replied it would be in the strategic plan.

Robert Jordan: there is a need to have a vision. What are we supposed to do? What result do we want? Do we want to be a business hub? Do we want to be a good place to live? Do we want to be a walking community? The Plan should incorporate a vision

Laura Canady: what are the elevator talking points? Let's schedule presentations from these groups. What is Exploration Park doing? What is NASA doing? Need to be ready. Must have a marketing vision.

Brenda Fettrow: would this board like to schedule presenters?

Louis Sanders: we need the experts to put together a Plan that this board can look at. This board needs to grease the axle, not re-invent the wheel. Doesn't want to get overwhelmed with details. I don't like failures. What is the next big company to attract when funds become available?

Greg Weiner: EDC can give an example. Most plans are very similar. Execution is real key and what gets it done.

Robin Fisher: he and Lynda Weatherman are going to Fort Myers to ask questions about their economic plan and will report back the Zone Board. He is most interested in how they failed, so the Zone doesn't make the same mistakes.

VI. Public Comment

Glenn Anderson, Space Coast Technical Network, spoke:

- Their organization is a 501.3.C. and are the tactical end of this discussion
- Their business is aimed at transitioning laid off KSC workers
- Meet every Friday, 8 a.m., at St. Gabriel's Church
- Most KSC workers must be transitioned from NASA specifications to public aerospace specs
- The north area is in need of an incubator center as TRDA left
- They are working with Al Koller, Syntec, to co-locate a facility

- Sunday, January 29, 2012, CBS 60 Minutes is supposed to do a news segment on them
- They would like to partner with the NBEDZ as a tool
- Would like the ability to offer micro loans
- They are going this afternoon to UCF to visit their incubator

Jan Conrad, Brevard Workforce, spoke:

- She is in Community Resources and her job is to seek ancillary services for the displaced workforce
- Every Wednesday, 9:30-11:30 a.m. at Brevard Workforce, 297 Barnes Blvd., Rockledge, they hold "Biz Launch" to help those seeking to become an entrepreneur. So far, they have launched 16 businesses. About 60 people attend. Robert Jordan is a mentor for the group.
 - Jerry Flavin, Director of the Small Business Administration Center for Faith-Based and Neighborhood Partnerships, said that there are millions of dollars available for micro loans
 - If a person goes through their program and starts a business, they will be counted by the government as employed
 - They have 10 mentors
 - Incubators are a huge need
 - They had the Malabar Gunleather and Concealment Systems speaker at their meetings. He was not a KSC displaced worker, but had worked for Gannet for 30 years and then started his own business.

V. Other Business

Brenda Fettrow: would like staff to bring back at the next meeting what steps are needed to include Exploration Park in the Zone's boundaries.

Robert Jordan: What is our vision? We've got to create jobs. We don't want our residents to move.

Micah Loyd: we need to look at the time. When will we have the money?

Brenda Fettrow: John Beasley left a handout (Attachment D)

VII. Future Meetings:

Stockton Whitten asked for 3 weeks before the next meeting for staff to prepare.

Robert Jordan however said that he did not want to get stale. Commissioner Fisher suggested the next meeting be held in two weeks.

Brenda Fettrow announced that the next meeting would be held February 16, 2012, at 8:30 a.m. at the District 1 Commission Office conference room.

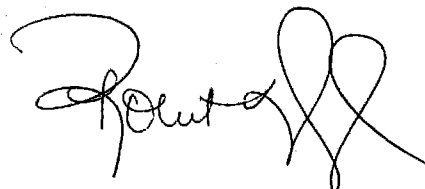
Stan Retz: as we draw our plan, can we get copied with the EDC plan. Our plan should facilitate your (EDC) plan.

Greg Weiner: the NBEDZ Plan needs to be distinct from the EDC plan.

Robin Fisher: we will have the EDC plan at the next meeting.

ADJOURNMENT:

Vice-Chair Fettrow adjourned the meeting at 10:23 a.m.



Robert Jordan, CM, Secretary

Approved by the Board February 16, 2012.