

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

June 11, 2021 @ 8:30 a.m.  
Statham Park  
7101 U.S. Highway 1  
Titusville, Florida 32780

**Board Members:**

In Attendance: Dan Aton, Rodney Honeycutt, Micah Loyd, Al Matroni, George Mikitarian, Donn Mount, Stan Retz, and Louis Sanders

Telephone: Dr. Brenda Fettrow

Call to Order: Meeting was called to order at 8:27 a.m. by George Mikitarian, Chairman

Pledge of Allegiance: Dan Diesel, Mayor, City of Titusville

**I. Approval of Agenda**

Motion by Louis Sanders, seconded by Dan Aton, to approve the Agenda as presented. Motion carried and ordered unanimously.

**II. Approval of Minutes**

Motion by Louis Sanders, seconded by Rodney Honeycutt, to approve the April 2020, and April 2021 minutes as presented. Motion carried and ordered unanimously.

**III. Report on Expenditures to Budget**

Donn Mount stated he reviewed everything with Troy Post, CEcD, CBE, NBEDZ Executive Director, and everything is correct with no exceptional expenditures.

Mr. Post stated he worked with the County Budget Office, who generated the report for him; in the future, when the Administrative Assistant comes on-board, they will be learning the SAP program; and there may be a meeting between the Administrative Assistant, Donn Mount, and himself in the future to discuss further.

Motion by Dan Aton, seconded by Al Matroni, to accept the report on expenditures to the budget as presented. Motion carried and ordered unanimously.

**IV. Staff and Partnership Reports/Updates**

**North Brevard Economic Development Zone Executive Director Report**

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated he spoke with Representative Rene Plasencia, who works at the Florida Veterinarian Medical Association, and he is looking for a site for a new facility in the area; he went to the City of Titusville Tree meeting, where a decision was not made; another meeting will take place next week; and the City Council made some changes to the scheduling for Planning and Zoning meetings.

Scott Larese, City Manager of City of Titusville, stated there will be a workshop on July 20, with City Council at City Hall; and the first reading of the ordinance will be on July 27, with a final hearing at the August meeting.

Mr. Post stated he had contact with the group that did the market evaluation report; it has been three years since the last report was done; he is interested to get a quote for a new updated report to have that for the July meeting; and the Zone board promised the County Commission that this would be updated on a regular basis, as they use this as part of the justification for lot prices at the Spaceport Commerce Park (SCP). He mentioned several new prospects; one with Space Florida who is looking at lots 11 and 12, and that could come back at the July or August meeting; Project Chariot is moving fast and may require a special meeting if nothing is in place by the July meeting; he went to the Chamber of Commerce meeting and reminded the Zone board of the competition for landing space, as it is not just here, but also in Texas and other states; and there is an opportunity to apply for funding from the Florida Job Growth Plan to help with the old corrections facility, which could set up well for a light industrial park, that might not have the stringent covenants that SCP has. He added that the site would have to be cleaned up before anything begins; there are only about 100 acres left to be developed at SCP with three sites, totaling about 25 acres, under contract; interviews for the new Administrative Assistant will begin soon, and the other position will be posted soon after that to have someone in place by the end of the Fiscal Year; and the State did not approve extending the Qualified Target Industry (QTI) program, and companies may look to the Zone program to fill the void. He stated there are more people involved in the legal cannabis businesses than there are electrical engineers in the United States; there have been a couple of proposals to do cannabis farming but the Zone board created a resolution that it would not be brought to the Zone board as it counters Federal law; but things are changing and it may need to be readdressed at a later time.

Al Matroni asked if there was a City ordinance or a proposed ordinance against legal cannabis.

Mr. Larese replied there is an ordinance as far as what zoning categories can have a distribution center.

#### **City of Titusville**

Lisa Nicholas, Economic Development Director of City of Titusville, stated she had no report.

Scott Larese, City Manager of City of Titusville, mentioned there are 48 projects going on in the City right now.

#### **V. New Business**

##### **Request for Redevelopment Assistance for Project "View"**

Troy Post, CECD, CBE, NBEDZ Executive Director, introduced Mark Smith and Angela Abbott who have purchased a blighted property on U.S. 1; the building is next to Ms. Abbott's office and has been vacant for a large number of years; they feel it would be good for an office building, et cetera; they have applied for assistance to help with the renovation; and this would be a redevelopment project. He mentioned the renovation's projected cost is \$140,000; turning it into something with a valuable use is beneficial to the Zone board; it is predicted to create approximately six jobs when finished; and the Zone board could consider helping with the \$28,000 site redevelopment cost, but the maximum amount that could be considered would be \$60,000.

Mr. Smith stated they are looking at the ability to take an eyesore that has been abandoned for the past decade and empty for the last two decades, and turn it into something the City would be proud of.

George Mikitarian asked what it was used for last.

Mr. Smith replied it was a computer repair shop; and he plans to add about 220 square feet to it. Al Matroni remarked in full disclosure, he is Mr. Smith and Ms. Abbott's neighbor; but he has no interest in the project and no issues talking about it; he has seen the work that they did on the existing building next door, which is Ms. Abbott's office; they received some beautification awards for that building; and he has worked with Mr. Smith with the Homeowner's Association and when he says he is going to do something, he does it, and the right way. He added the building is an eyesore and he is surprised it is not taken over by vagrants; and he feels if they make it anything close to the projected sketch, it would make it very attractive for the main corridor.

Dan Aton stated the way that the redevelopment part is written, it typically does not take land costs into account, so it would be the delta between the project cost and the land cost.

Mr. Post remarked he does not know of any consistent action that it has taken; sometimes it has to look at the entire capital investment to be made; in other cases it may be just the renovation costs; and it is completely up to the Zone board, but sometimes the funds availability does impact that.

Mr. Aton asked if a constraint would be put on resale, or flipping.

Mr. Post replied that Christi Schverak, Assistant County Attorney, mentioned that it may need to be done; and they would have to hold it for a certain amount of time before reselling.

Mr. Aton asked what their intention was, to hold it and rent it.

Mr. Smith replied affirmatively.

Mr. Matroni asked how much they are asking for from the Zone.

Mr. Post replied that he typically does not get any amounts; he thinks it is easier to determine when seeing the breakdown of costs; site development is an easy area to provide the incentive for as the receipts can be provided for the different stages of development; and it could provide an "up to" amount to allow a cushion for increased costs.

Motion by Rodney Honeycutt, second by Stan Retz, to provide an incentive for Project "View" of up to \$35,000 for site development. Motion carried and ordered unanimously.

## **Old Business**

### **Request to Approve Interlocal/Incentive Agreement and Disbursement Schedule for Project "U.S. 1 Corridor Improvement" (sanitary sewer extension)**

Rodney Honeycutt stated he had a client on this project, so he will not be voting; and he provided the clerk with the conflict form.

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated that back in the Fall the developer, Juston Trimback, offered to assist with the sanitary sewer line on U.S.1; he had purchased a property in that area assuming that the sewer capacity was sufficient; it was found that it was not adequate for any further development along U.S.1 in that area; if the Zone would provide a grant to him, he would take on the project, complete it, and turn over the new sewer line to the City; and an agreement was formatted and needs review and approval. He stated this is the agreement, with one exception, that if approved today, would then go to the City council; the one change is to the address for the North Brevard Economic Development Zone, it still had the old address; he reviewed the document with the Zone board and explained that the City Tax Increment Financing (TIF) would be used to fund this grant, not the County TIF; the County TIF may be used for

another portion of the project at a later date; and the developer will receive funds at four separate thresholds of the project. He added that there will be a performance bond and a maintenance bond for the project; the Zone board has to provide proof to the County Commission if the City TIF is used as well as if using the County TIF; the City TIF is used to pay the City to retire the debt for the Titusville Landing Project, which takes precedence over this project; and if for some reason there is not enough in the City TIF for this project, it will need to use the County TIF as a backup fund.

Christi Schverak, Assistant County Attorney, stated should the County TIF be used, it will be reimbursed from the City TIF as the funds become available.

Al Matroni asked if any of the money would be coming back to NBEDZ, as he assumes the City will be getting connection fees to tap into the line.

George Mikitarian asked Mr. Post or Attorney Schverak to explain why the Project is being funded the way it is.

Mr. Post remarked that the developer was not interested in funding the entire project before the City reimbursed him; he wanted to be reimbursed as the project developed, with an outlay of a certain costs up front to get the Project started; and this way the Zone board would be safeguarded and still ensure the Project gets completed.

Mr. Matroni stated the value of the property is increased by the addition of the sewer line; and he asked should the property owners along this area be asked to reimburse a portion of the costs, as their property value will increase.

Mr. Post remarked that they want it to increase the value of the properties and allow for future development in the area due to the new sewer line.

Micah Loyd mentioned that this will prevent the use of septic tanks in the area, which is good for the Lagoon; and he feels the County should do the same.

Dan Deisel, Mayor for City of Titusville, stated that it also has to do with the City's growth, which is pushing out into this area; there has also been a discussion with the Fire Chief that a fire station will be needed in the area as well; he also mentioned removing septic tanks along the river; and he feels this sewer line is imperative to the growth of the City.

Motion by Donn Mount, seconded by Micah Loyd, to accept the agreement as written with the change to the address for the NBEDZ office. Motion carried and ordered unanimously with Rodney Honeycutt abstaining from the vote.

### **Approval "as to form" of Incentive Agreement with Titusville Plaza, LLC**

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated it was decided at the previous meeting to provide an incentive of up to \$240,000 for this shopping plaza; the developer is spending around \$2 million for the Project; there are jobs to be created but there is not a clawback for jobs, as this is a redevelopment Project; and there will be a requirement to obtain a certificate of completion for the parcels that are uninhabitable now in order to receive the incentive funds.

Al Matroni stated it was mentioned that the developer should try to get Winn Dixie to agree to extend the lease agreement.

Mr. Post remarked that was not made a part of the Agreement; and he mentioned that there was no prohibition against flipping the property; he thinks that would be good to add to the Agreement; and it would be included in the Agreement if it passes today.

Dan Aton remarked that the Zone board should not be positioned as helping investors make money.

Christi Schverak, Assistant County Attorney, mentioned if they do decide to sell, they would be required to repay the grant.

Stan Retz stated to look at it in a different way, it is the property the Zone board is trying to improve; and at the end of the day, it is a renovated property.

Mr. Post stated he thinks it is more about how it is perceived by the community.

Mr. Matroni stated he is a firm believer of people not making a profit off of the help given by the Zone board; but if they do, it should be paid back.

Micah Loyd asked if it could be tied to a lease, as that would bring in tax dollars; he does not want it to be an abandoned property that falls off the tax roll; and that would keep the building occupied and on the tax roll.

Motion by Dan Aton, seconded by Stan Retz, to approve the Agreement for Titusville Plaza, Inc. as presented with the exception of adding the clause that the owner will not sell within two years of the issued Certificate of Occupancy or Certificate of Substantial Completion, and should the company sell within that timeframe in excess of \$3.5 million, the company agrees to return the entire dollar amount of the incentive funds. Motion carried and ordered with Al Matroni voting nay.

#### **Approval “as to form” of Contract with Trout-Hunt, LLC (Paragon Plastics)**

Troy Post, CEC, CBE, NBEDZ Executive Director, stated this contract also needs a change to the address; at the last meeting, the Zone board approved a proposal for Mr. Trout and he is okay with the language; Paragon seems to be preparing to build on the property; Attorney Schverak created a contract and, because it was County property, the County will have to approve it; there would be a first extension fee that would last for 12 months, requiring a fee of \$10,000 which will be put into escrow, if they did not go forward with the project in the first 12 months, the Zone board would keep the fee and begin to reacquire the property; if they do begin, then the Zone board will refund \$5,000 of the fee; and they would have the opportunity to extend it for an additional 12 months with another fee of \$10,000 which would not be refundable if they did not proceed.

Motion by Micah Loyd, seconded by Louis Sanders, to accept the Contract for Trout-Hunt, LLC (Paragon Plastics) with the change of address as noted. Motion carried and ordered unanimously.

Mr. Post mentioned there may be a need for a meeting before July 9 for Project Chariot.

Upon consensus, the meeting adjourned at 9:50 a.m.

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Donn Mount, Secretary/Treasurer

Approved on

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