

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

March 8, 2024 @ 8:30 a.m.
Statham Park
7101 U.S. Highway One
Titusville, Florida 32780

Board Members:

In Attendance: Dan Aton, Bart Gaetjens, Jeff Gray, Rodney Honeycutt, Robert Jordan, Donn Mount, Stan Retz, and Edna Wilson

Telephone: Dr. Brenda Fettrow

Call to Order: Meeting was called to order at 8:33 a.m. by Bart Gaetjens, Chair

Pledge of Allegiance: Stan Retz

I. Approval of Minutes

Motion by Robert Jordan, seconded by Rodney Honeycutt, to approve the minutes from February 2024. Motion carried and ordered unanimously.

Approval of Agenda

Bart Gaetjens asked for a motion to move SpaceTEC's proposal to the beginning of the Agenda.

Motion by Stan Retz, seconded by Robert Jordan, to approve moving SpaceTEC's proposal to the beginning of the Agenda. Motion carried and ordered unanimously.

II. SpaceTEC's Proposed Defense Training Center Project

Bart Gaetjens noted, for transparency, that all of the Board members have met individually with SpaceTEC representatives prior to this meeting.

Steven Kane, Director of SpaceTEC Partners, Inc., provided an update for the proposed Defense Training Center project; they are moving ahead, as there is now a site identified for the center at 3650 US-1, Cocoa, that meets their needs; they now have a website domain that is ready to be built, and a logo; the objective of the training facility is to establish a facility capable of providing an accelerated short-term training course in advanced manufacturing; and to improve the skill base of current and potential workers in North Brevard County to help solve the labor needs of local employers. He went on to say the building will have office space, manufacturing labs, multi-use training space, an open area for exhibitions, competitions, and special events; they now have \$1.5 million secured from the State of Florida Department of Commerce for the build-out and the first

year of operations; they require additional grant commitments from local sources totaling \$700,000; and that is why they are present today. He stated what they are seeking from NBEDZ is \$500,000 to supplement the program costs for the build-out, improvements to the interior of the building, and offset the lease cost, as the initial grant from Florida Commerce did not include lease funding in their grant. He added the proposed center does not compete with the Eastern Florida State College, but it does compliment their program because their classes are in semester format, while the SpaceTEC program is for short-term skills training, completed in weeks, not months or years; they plan to host field trips for schools; and he shared diagrams of how the facility will be built-out to meet the program's needs.

Troy Post, CEcD, CBE, NBEDZ Executive Director, mentioned the way the grant would be structured is very similar to the Space Perspectives project; going through the first year of operation paying the lease and making the improvements, and at the end of that year, would qualify for an amount for reimbursement; and he mentioned setting it up for partial reimbursements during the improvement of the building.

Motion by Robert Jordan, seconded by Edna Wilson, approved NBEDZ to provide a grant commitment totaling \$500,000 to the non-profit entity SpaceTEC Partners, Inc. (SPI), to serve as part of a local match in the non-profit's efforts to obtain State and U.S. Department of Defense funding for the creation of an advanced manufacturing training facility in North Brevard. Motion carried and ordered unanimously.

III. Report on Expenditures to Budget

Troy Post, CEcD, CBE, NBEDZ Executive Director, noted everything is tracking properly with nothing new to report; it is actually below on the operating costs and there are some invoices coming to be paid over the next quarter; they have received several bids for the signs at Spaceport Commerce Park; and they are working with the low bidder to get the contracts approved by County Purchasing.

The Report on Expenditures was accepted into the record as presented.

IV. Staff and Partnership Reports/Updates

North Brevard Economic Development Zone Executive Director Report

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated he has started the process for next year's budget; he met with Dr. Rao about a new medical technology center project which will cost over \$2 million; he continued dialogue with the Texas-based consulting firm interested in developing an indoor sports facility near Chain of Lakes Park in North Titusville; and he attended the monthly Chamber of Commerce Board meeting. He went on to say he joined a Zoom call with the University of Central Florida's business incubation team about the concept of a virtual business incubation program; he began working on cataloging property located on the east and west side of I-95 at the Port St. John exit in an effort to put parcels together for developers; he noted prospects from the Economic Development Commission of Florida's Space Coast (EDC) have slowed; he is still in contact with the real estate group assisting the freight hauler company that is looking for a location for an office building and terminal

facility; and he mentioned there is a breakfast next week at Kennedy Space Center focusing on North Brevard Economic Outlook that the board may be interested in attending.

City of Titusville

Scott Larese, City of Titusville Manager, stated the City of Titusville approved the AI Initiative for site review; and there will be a fee structure change to the ordinance to allow the expedited site review process.

Titusville-Cocoa Airport Authority (TCAA)

Lisa Nichols, TCAA Business Development Manager, noted the bi-monthly update is included in the binders; they are in the process of developing a new air traffic control tower and they were awarded \$2 million in bill funding for the construction; all three master plans are being updated; runway 1836 is being rehabilitated and the design is 60 percent complete; and the project should go out to bid this spring. She added they are looking at a Maintenance and Repair Operation (MRO) Developer that wants to base their operation at Space Coast Regional Airport; it wants to construct a 100,000 square foot hangar, which would bring 200 jobs; and an electric vehicle takeoff and landing company is interested in a 500,000 square foot manufacturing facility with a potential of 1,000 new jobs.

V. Discussion and Direction

Draft of NBEDZ Proposed Budget for FY 24/25

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated that generally, in the month of April, a budget is brought before the board for approval, then it goes to the City Council to approve the City's Tax Increment Financing (TIF); it also goes to the County Manager's Office for the County TIF allocations; then both documents go to the Board of County Commissioners for approval in August or September for the final approval; and there are very few changes to the budget this year. He noted there would be an increase in health benefits and an increase in grants and aid; he projected \$3.5 million in new revenue for next year; and the City's TIF has grown significantly and is forecasted to be around \$1 million; and he will bring this back at the April meeting for full adoption.

Dan Aton asked about the pad-ready concept at Spaceport Commerce Park (SCP).

Mr. Post noted that has been a part of the covenant since the very beginning as a program element; one pad was done in 2015, which ended up being the Embraer site; however, the City did not feel like a site plan could be approved that did not have the building plans with specs showing parking, et cetera, so that ended due to not knowing who the user would be or what type of requirements would be needed for the building; but there can be infrastructure improvements for SCP, such as the water line being upgraded with NAP and future sewer capacity projects, taken from the grant money in that category.

Proposed Structure of Titusville Mall Incentive Provision

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated the board approved a commitment last year to provide a redevelopment loan up to \$2 million reimbursing Jesse Wright for certain infrastructure costs related to the project; he asked for input from the board on how it sees this going forward, how the disbursements would be made, and what would be the thresholds; if the board agrees with the proposal, he would come back with the actual agreement; and the agreement would have to be vetted by the County Attorney and the City Attorney, as the money for this incentive would come from the City TIF. He reviewed the incentive agreement with the board; this would be a three-phased project for the initial part of the development; phase one would be to complete the demolition, site work, underground utilities completion, stormwater detention, and pads ready for future construction; phase two would be to complete the Cambria Hotel and receive a Certificate of Occupancy; and phase three would be the senior-living apartments. He noted that all three phases would need to be completed before Mr. Wright would receive the full grant amount; there would need to be a minimum investment to the site of \$35 million for the three phases; there will be an \$800,000 grant incentive at the qualified completion of each phase; and he discussed the clawback provisions of spending at least \$35 million and holding the title for at least five years.

Jesse Wright shared diagrams of the before and after projections of the Titusville Mall project; he shared his plans for the new development; he mentioned the project will bring in approximately 362 jobs based on an independent study; and he explained how the financing will work.

Dale Parsons, architect, discussed the hotel project; it will be \$25 million for the construction alone; he addressed the stormwater retention that is going to be a part of the landscaping; there will be 153 rooms, a rooftop observation area with meeting space and a bar and grill; it will be designed with the local area in mind; and it will begin construction in December of 2024 or January 2025.

Daniel McKenna, President of Pace Equity, explained to the board how the funding works as it relates to debt and equity; Property Assessed Clean Energy (PACE) Funding provides the funding, as Mr. Wright will be guaranteeing the funds during construction; and he noted that after the hotel is constructed at \$35 million, it will be a \$50 million value, which creates \$15 million in equity. He explained that during the construction period, there is no assessment payment; it is similar to a TIF; and he explained how the financing process works post construction.

Mr. Post stated that he will get with Morris Richardson, County Attorney, and Richard Broome, City Attorney, to come up with the framework for the written agreement to be brought back to the board for approval; he hopes to have it back for approval in April; the next step would be to go to the City Council for approval of the City TIF funds; and then final approval from the Board of County Commissioners.

Dan Aton asked about the potential of a future request for assistance for the next phase.

Mr. Wright responded that would be years into the future and he could not answer that; but he felt he would be okay due to the PACE loan.

Robert Jordan reminded the board that originally the grant amount was for the whole project and it needed to be structured like the Titus Landing project; and he noted his concern of another request for assistance for the next phase of demolition.

Mr. Post stated he feels the agreement is structured very similar to the Titus Landing project, as it was also not required to be completely built-out to receive the incentive; he asked the board to continue to send any questions or comments to him prior to his meeting with the attorneys; and he hopes to have it ready for board approval at the next meeting.

VI. Old Business Items

Troy Post, CECD, CBE, NBEDZ Executive Director, noted that Olympian LED may not need any approval from the board; and it was removed from the agenda.

Approval “as to Form” for Incentive Agreement – HydroSaurus Brewing Company

Mr. Post reviewed the contents of the Incentive Agreement for HydroSaurus Brewing, including the clawback.

Motion by Robert Jordan, seconded by Stan Retz, to approve the Incentive Agreement for HydroSaurus Brewing Company, pending review by the County Attorney, for up to \$47,000. Motion carried and ordered unanimously.

Public Comment

Stephanie Robinson, Career Source Project Coordinator, stated she was not going to speak but after hearing talk of workforce she could not stay silent; she has been working closely with the SpaceTEC group, as well as any others to try to create some customized training programs for accelerated training, as she has seen the need for it; she mentioned speaking at Eastern Florida State College and they were in favor of the accelerated training, as the continued training can be done on the job; there are 11 solderers going through the training in Palm Bay; and they are hoping to bring more training to North Brevard. She advised she is hoping to connect with the Titusville Chamber of Commerce to talk about creating a workforce development committee, as there is not one there or Cocoa Beach; she is going through the Talent Pipeline Management Academy through the US Chamber of Commerce and is hoping to implement that in Titusville and bring employers on board; she has also spoken to the Florida Children’s Movement about Bosses for Babies; and she hopes to bring that to light as well.

Jessie Wright commented that he copied some of the City officials in reference to the second phase involving the Cumberland Farms leaking oil and contamination since 1983; the tanks were leaking up until 2004 when the tanks were replaced; nearly two and one-half acres of phase two are contaminated; the ground water is about three and one-half feet below the surface; and he is going directly against the Florida

Department of Environmental Protection (FDEP) and Cumberland Farms because FDEP has allowed Cumberland Farms to continue to monitor but not doing anything drastic. He went on to say this will affect the residential area to the north and possibly the residents on the Lagoon because the contamination would flow towards the ocean; he is going before the City's Environmental Committee next week and inviting all the neighbors to come; he noted something drastic has to be done as this has continued since 1983; and there may be indications of vapors coming from the ground that have not been measured.

Bart Gaetjens shared the passing of Jerry Sansom, formerly with the Titusville-Cocoa Airport Authority; he was a well-respected community leader; and he will be greatly missed.

Upon consensus, the meeting adjourned at 10:02 a.m.

A handwritten signature in black ink, appearing to read "Bart Gaetjens", written in a cursive style.

Bart Gaetjens, Chairman

Approved on May 10, 2024