

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

April 10, 2020 @ 8:30 a.m.
Parrish Medical Center - Health Village West/Heritage Hall
931 N. Washington Avenue
Titusville, Florida 32796

Board Members:

Telephone: George Mikitarian

Zoom: Dan Aton, Dr. Brenda Fettrow, Rodney Honeycutt, Micah Loyd,
Donn Mount, and Stan Retz

Absent: Al Matroni and Louis Sanders

Call to Order: Meeting was called to order at 8:37 a.m. by Dr. Brenda Fettrow, Vice Chair.

Pledge of Allegiance: Dr. Brenda Fettrow, Vice Chair, led the assembly in the Pledge of Allegiance.

I. Approval of Agenda

Rodney Honeycutt advised he will recuse himself from Project Retail 50.

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

II. Approval of Minutes

Motion by Rodney Honeycutt, seconded by Micah Loyd, to approve the Minutes of July 2019, as presented. Motion carried and ordered unanimously.

III. Report on Expenditures to Budget

Motion by Stan Retz, seconded by Rodney Honeycutt, to approve the Report on Expenditures as presented. Motion carried and ordered unanimously.

IV. North Brevard Economic Development Zone Executive Director Report

Troy Post, CEcD, CBE, NBEDZ Executive Director, provided the Zone board with a handout of his report.

V. Discussion and Direction

COVID-19 Economic Impact

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated local businesses are calling and asking for help; he has been working on a paper that has been sent to the County

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Manager and District 1 Commissioner to get their initial thoughts on it; it is something that could come back to the Zone board next month; in the Economic Development Plan (EDP) there are programs that are set up and approved to operate, but a lot of those programs require pretty large amounts of capital expenditures to be done in order to qualify for some grants; those programs do not speak to being able to assist certain small businesses, that if the Zone wanted to assist, it really could not for just a retail business; and there will be some things coming for the Zone board to consider, but not every single business will be able to be helped throughout the COVID-19 crisis. He mentioned the Zone's revenue stream is based on Ad Valorem tax revenue; if the crisis gets to the point where there are foreclosures of property or some kind of change in evaluation of property, it could change the amount of money coming to the Zone; there are contingency plans being made for if revenue drops off next year; there are other things that can be done to help during the crisis without changing the program, but seeing if there could be amendments to incentive agreements, extending time for benchmarks needing to be met to meet the grant requirements; and it would be brought back to the Zone board on a case-by-case basis. He added there is something being considered that the Zone board may want to look at; a potential discussion will be held at next month's meeting; and if the Zone board looks to change the EDP, it will go to the Board of County Commissioners and the City of Titusville for concurrences.

Micah Loyd inquired what companies are asking if the Zone can help them.

Mr. Post responded the retail market.

Mr. Loyd advised the Zone's core mission is to bring jobs to the area; it is going to take a while for things to shakeout and to know how it is going to affect its revenue; it could take six months to know what the downside effect is; and if there is any pressure from the Commissioners wanting to do something with the Zone's revenue, the Zone needs to be part of that conversation.

Ethics Review

Christi Schverak, Assistant County Attorney, provided the Zone board with a PowerPoint Presentation on ethics.

VI. Fiscal Year 2020-2021 Budget

Troy Post, CEcD, CBE, NBEDZ Executive Director, advised the proposed budget for Fiscal Year 2020-2021 needs to be approved today; it needs to go to the City of Titusville Council meeting in May; then it will go to the County Manager's office in June for the Board of County Commissioner's approval; and there is one change added called Indirect Costs, which requires County agencies to reflect the cost, time, and services required of other agencies within the County.

Motion by Stan Retz, seconded by Dan Aton, to approve the Fiscal Year 2020-2021 drafted budget as presented. Motion carried and ordered unanimously.

Project Tower

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated back in October 2019 a request from Delaware North was received, that it was doing an observation deck and a

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high-speed elevator for a tourism site; Jim McGrath, Vice President of Lodging, provided the Zone board with a presentation, and was seeking some help to offset some unanticipated costs; there will be a direct express elevator going from the ground to the rooftop, with a café area and a patio area that accommodates up to 250 people; when Christi Schverak, Assistant County Attorney, and he put the drafted incentive agreement together, they tried to include all of the descriptive phrases that Mr. McGrath used in his presentation; the Zone board had approved up to \$100,000 to offset the overall costs just for the element of the tourist site being built on the rooftop; there will be approximately 5,500 square feet for the rooftop; a definition was put in the agreement of what an express elevator would be, which is from the ground to the rooftop with no stops in-between so that it would not be confused with, or used as an elevator for the hotel guests; and there will be a full-service kitchen and a bleacher section with seating for up to 40 people. He went on to say the company has asked if it is possible to change how the agreement is worded; right now the agreement is worded, the company agrees the rooftop and café will remain accessible to the general members of the public, including those who are not lodging guests of the hotel, during times there is a space launch, and for a period of 10 years after receipt of the grant; and the company may restrict no more than 50 percent of the rooftop patio and café for community groups and other private events to reserve at any time; Mr. McGrath did not actually say that, but there was concern if the Zone board would consider the facility being open to the public, if, in fact, a group could rent the entire facility during a launch; and prevent those who are not part of a private party from being able to access the rooftop. He added it is known that the Kennedy Space Center Visitor Complex does from time to time close the Complex one hour earlier to accommodate a private party; Walt Disney World and Universal Studios have arrangements made with private groups, to close down certain places at a certain hour, and only accommodate certain groups. He stated that is not that unusual in the tourist industry; but he was not sure if the Zone board would feel comfortable altering the agreement; Ms. Schverak crafted the agreement; and he asked for her to speak on those two items.

Ms. Schverak advised the question is really what is a rooftop deck allowing public use; if it is available to rent by a company then it becomes public use; the question then becomes every time there is a space launch and someone rents out the whole deck, the public could not go up there to see the space launch, is it still open for public use becomes the question; the 10 years is tied to a clawback that says if they change their mind and no longer allow public use for the rooftop deck prior to 10 years, the grant would come back to the Zone; when there is not a space launch, there is the same kind of question, whether the Zone board is okay with this grant knowing that it is going to be a place where the entire deck is reserved for a private event; it could say it has to be open for a certain number of days to the public and only reserve for a private event for a certain number of days; and she is not sure how willing the Zone board is to have the deck closed for private events. She asked the Zone board for its intent.

Dr. Benda Fettrow stated she is not a fan of having it not accessible to the public, this is public money; and she believes this needs to be opened to the public.

Ms. Schverak stated it could say only closed 50 percent of the days in a year that it is open to the public for use.

Micah Loyd advised he is fine with 50 percent of the time; it is a good source of revenue; the aerospace companies are going to want to use it; SpaceX rents out certain floors of

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the Exploration Tower on a regular basis for its launches at Port Canaveral; and he thinks as a private enterprise, they need to have the ability to rent the space out.

Dan Aton suggested to apply the 50 percent of the days, as well as launch days; treating them independently, but apply the same measures; and at least, half the launches will be open to the public.

Stan Retz agreed with Mr. Aton.

Dr. Brenda Fettrow advised she likes it as well.

Donn Mount agreed with Mr. Aton; and he inquired if there was suggested language wanted from Delaware North for what it wants.

Mr. Post responded they felt the language was a little restrictive because of the way they are designing it; it may be hard to have a section closed-off to the public and still have the public up there while there is a private party going on.

The Zone board reached consensus, to bring back the rewritten incentive agreement with 50 percent closure for certain launch days to the public for Project Tower; and to bring it back to the Zone board on May 8, 2020, for approval.

Project Retail 50

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated last month Project Retail 50 was presented to the Zone board to propose a 'Parrish Senior Living Village'; Allen Goins, A.G. Development Group, Inc., had submitted an application for assistance, and a letter requesting Tax Increment Financing (TIF) assistance to offset some of the infrastructure costs for land east of the existing fitness facility; the number of jobs was needing to be broken out for the different types of jobs being created; and he provided the Zone board with a handout of the PowerPoint Presentation and the funding estimate.

Mr. Goins stated he is entering a relationship with Parrish Medical Center hospital and he has been working on this Project for the past four to five years; it is his vision to provide a one-stop shop facility for a medical village; the concept was presented to the hospital after he went through his parents' last years of life; he presented the medical village concept to the hospital board of directors and they liked the idea, and approved the site on State Road 50; and he has a background of developing medical facilities. He went on to say the Parrish Wellness Center has been in operation for up to 10 years, it is 39,000 square foot gymnasium-type of facility that is medically managed and monitored by the Parrish hospital staff; to the right is a wooded area of about 2.2 acres of wetlands that needs to be mitigated, in order to promote development at the site; and to the left would be the home of the Assisted Living Facility (ALF) and medical care facility, that would be a four-story building with approximately 73 beds. He added there will be some impact to the Parrish Wellness Center, due to parking, as he ties in the parking with traffic from the common interest point; it will be designed to minimize the investment in rehabilitation responsibilities and requirements of the facility, which is a normal requirement element of such facilities; and to the right there will be retention and retail-related facilities, but medically slanted retail facilities such as urgent care, dental and eye clinics, and pharmaceutical. He stated the two outparcels are designed primarily to provide independent support for people in the ALF for exterior dining to accommodate

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the facility as well as for the public in general; he is proposing an electric golf cart community with a trail to connect and be parallel to the Publix shopping center; the Publix shopping center has very little retail support; and his vision is for a medical mixed-use development providing direct medical support for Parrish, giving them another outlet to provide quality medical care to the people in the area. He added there is a need for this; and the Parrish Hospital board of directors gave unanimous approval for the Project.

Rodney Honeycutt's absence is noted at 10:20 a.m.

Stan Retz inquired if Mr. Goins will acquire the land.

Mr. Goins responded it is going to be a joint venture with Parrish Medical, as well as a vested participation to get the Project developed.

Christi Schverak, Assistant County Attorney, recommended not voting on this today, due to part owner relationship with Zone three, which concerns her.

Mr. Post inquired if the Zone three portion is owned by Parrish.

Mr. Goins responded it is proposed for owner participation.

Mr. Post remarked that does change it.

Mr. Goins advised Zone three has Parrish ownership, but they have a minority ownership for participation purposes.

Dan Aton affirmed two Zone board members are members of the Parrish Hospital board.

Dr. Brenda Fettrow, Vice Chair, noted it causes a very significant conflict of interest for Zone board members.

Micah Loyd advised he now has significant concern voting on it now; politically it does not look good for the Zone to be dedicating money when it does not know how the budget is going to be effected; he thinks the Zone board should not be dedicating money towards any new projects right now; it may be able to be done in the next couple of months; and not having the full picture of how this is going to protect the Zone's money and revenue stream down the line.

The Zone board reached consensus to take no action.

Upon consensus the meeting adjourned at 10:27 a.m.



Donn Mount, Secretary/Treasurer

Approved on June 11, 2021