

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

August 11, 2017 @ 8:30 a.m.

Parrish Medical Center - Health Village West/Heritage Hall  
931 N. Washington Avenue  
Titusville, Florida 32780

**Board Members:**

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

Absent: Paula Cardwell and Brenda Fettrow

Call to Order: Meeting was called to order at 8:33 a.m. by George Mikitarian, Chairman.

Pledge of Allegiance: Walt Johnson, City of Titusville Mayor, led the assembly in the Pledge of Allegiance.

**I. Approval of Agenda**

Motion by Robert Jordan, seconded by Stan Retz, to approve the Agenda as presented. Motion carried and ordered unanimously.

**Approval of Minutes**

Motion by Stan Retz, seconded by Robert Jordan, to approve the meeting minutes of March 10, 2017 and May 12, 2017. Motion carried and ordered unanimously.

**II. Report on Expenditures to Budget**

Robert Jordan, Secretary/Treasurer, stated this is the last quarter of the Fiscal Year; the budget is tracking well on all Line Items except for Communications and Freight due to CareerSource Brevard no longer being located at COlaunch and showing negative \$950 for that Line Item; equipment at COlaunch was put under Promotional Activities Line Item 5511400 accidentally by the Budget and it should have been under Line Item 5640001; and it will be cleared up by the next month's meeting.

Motion by Micah Loyd, seconded by Donn Mount, to approve the Report on Expenditures to Budget as presented. Motion carried and ordered unanimously.

**III. Staff and Partnership Reports:**

**NBEDZ Executive Director Report**

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated he participated in an environmental workshop in Cocoa on brownfields; he is continuing to work with the County's Natural Resources Department for the best use of the former correctional facility site in Port St. John, for a conversion into a County-owned, light industrial park; but there

are some environmental issues with the site, the State owned the prison through the Florida Department of Environmental Protection and the Florida Brownfields Association. He stated he received an update from Orbital ATK about the company's goals of being one of three aerospace firms to reach the next round of long-term contract consideration for a launch vehicle replacement for the Evolved Expendable Launch Vehicle (EELV); he met with CareerSource Brevard to discuss workforce programs; it moved into a larger space; and they have current hiring issues among area business, particularly for aerospace-related firms. He mentioned having Project discussions with Scott Adair, to understand the timetable and the submission requirements for evidentiary material in connection with the Zone's grant for redevelopment of the Port St. John Shopping Plaza, which is anchored by a Winn-Dixie; with the help of his UCF intern, they completed the revision to the Zone's annual Economic Assessment Report for a distribution to a gathering of Orlando-based relators; and he met with an engineering firm Tetra Tech and Todd Helton with Florida Department of Transportation (FDOT) for the planned road improvements at Grissom Parkway and State Road 405, work that will displace the Spaceport Commerce sign on the median of Grissom Parkway that is going to be permanently removed. He added there may be an opportunity to place a sign at the leased property that the City of Titusville's Police Department has at that same intersection as an alternative sign placement site. He stated North American Surveillance Systems (NASS) is growing well from a 13-person staff to the company employing approximately 80 people now since its relocation to Titusville in 2014; and he met with a group from Tennessee who are interested in purchasing property near the Coast-to-Coast connector trail, which is a project that would create a series of Airbnb lodging units, and on an area measuring approximately four acres and catering to overseas tourists and extended stay tenants.

#### **GTR Executive Director Report**

Cathy Musselman, Greater Titusville Renaissance (GTR) Executive Director, stated COlaunch is creating a hotspot section where the CareerSource used to be located; FabLab has donated five computers for people to use; and she has started having discussions with a tech entrepreneur for possible technology/entrepreneur collaboration teams. She went on to say she attended the St. Johns River to Sea Loop Trails meeting in St. Augustine and the Coast-to-Coast trails meeting at the Merritt Island Wildlife Refuge; it was great hearing the Brevard County report being compared to other counties of how much further it is done on the bike trails; the St. Teresa Catholic School wants to participate in the trails beautification program; and she met with AG Development Group, Inc. and it has agreed upon the GTR providing all of the special events management for the Titus Landing, which will eventually become a source of revenue for GTR.

#### **IV. Discussion and Direction**

##### **Space Coast Consortium Apprenticeship Initiative**

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated for those people who have attended some of the events held at RUAG USA Space, Inc. (RUAG) in the last few months, they held their grand opening several months ago, and just recently held a walkthrough tour to see some of the stuff done that is contracted with OneWeb Satellites; they have been concerned about making sure that they have the talent necessary to do some of the jobs for their company; and is a concern shared by a lot of other firms in the area, and for the Zone making sure that as companies are brought in, there is more opportunity for people who live here to get the ability to get some of those jobs. He went

on to say there is also a concern of needing to establish a pipeline to ensure the younger people in high school now will eventually be a reliable workforce to fill the demand of some companies; RUAG is the leader behind bringing a European style internship in the United States; and he proposed over the next few weeks it is an opportunity for this initiative to try to get some funding from the State. He advised there is a Department of Economic Opportunity (DEO) Program called the Economic Development Grant Fund, for infrastructure development of which workforce issues are a part of; there are several different entities that are a part of this, to make an application to the State to see if they can get funding for doing a machine lab at Whispering Hills; and he provided the Zone board with an aerial map of the property. He went on to say the facility would be an 8,000 square foot machine lab to be situated on the campus; they would like to make an application that would be for 50 percent of the proceeds coming from the State, meaning there is a gap in financing, and they would have to come up with the other 50 percent; and he asked the Zone board to consider providing a letter of support, to go into the application that they are submitting in a few days. He stated if they are able to get a commitment from the State, they could apply an application to the Zone for some financial support; what that commitment amount would be is unknown at this point; it is contingent upon the State being able to provide at least half of the funding necessary to do this; and he introduced to the Zone board Bryan Kamm, Founder of Kamm Consulting Group and Germanic Apprenticeship Program (GAP) Consultant.

Mr. Kamm stated this is the use of German/Swiss/Austria apprenticeship benchmark standards skill initiative; a Space Coast Consortium has been put together, which has for the last eight months been some of the newest companies engaging in communities, inviting some of those other existing company folks into the Consortium; it is spearheaded by RUAG and OneWeb for workforce skills, and OneWeb is going to be a fully robotic operation; and they are currently under construction now for 125,000 square feet of space that will be fully automated. He went on to say the people they need to run its manufacturing do not exist here; they want to create a pipeline for them to continue to have the right people available for them; OneWeb and RUAG needs people for mechatronics, which is electro mechanical pneumatics hydraulics robotics; they have to have machinists as well; and they also will introduce new composite technologies and manufacturing. He added with the help of the community and the industries that are located here, an opportunity is being looked for to provide funding to launch this program; in the Consortium there is WorldSpace, OneWeb, Blue Origin, SpaceX, United Launch Alliance, and RUAG; and bringing into the Consortium is Lockheed Martin, Embraer, and other companies that are supportive of this. He stated the Florida Growth funding that is available through the State is \$85 million; this is a request for funding that has to be submitted and it is a first come first served basis; Eastern Florida State College (EFSC) is the primary applicant; Daytona State College has invested in this; he is talking with the Brevard Public Schools for pre-apprenticeship programs; and he is looking at putting in pre-apprenticeship programs in South, Central, and North Brevard County through the high schools, requiring two years of discipline working with a company, then requiring four year apprenticeships at EFSC for aerospace technology in machining. He continued to say all the while they will be working for a company, being paid by the company; the company will pay his or her tuition for their apprenticeship; and have a job waiting for them of \$40,000 to \$60,000 per year at the age of 20 coming out of this program. He advised it is a win-win for the community; there is industry support; he is asking the Zone board for its consideration to provide a letter of intent to support the initiative; and this will be sent out on August 14.

Mr. Post advised workforce development had been talked about before; he urged the Zone board to use caution because it has to use its funds to be applied within the geography of the district; he is interested in this proposal because it is an opportunity to do a fiscal asset of a building at the property located on South Street; and it does fit the profile for workforce development.

Mr. Kamm added he does have Space Florida, Economic Development Commission of Florida's Space Coast, and CareerSource support on this; a workshop was held May 24 for industries and educators who are engaged in this, with an overwhelming support of those wanting to be trained here; and he is pursuing very aggressively to get this ask in in for him to proceed with the Zone board's support. He continued to say this sets the stage for an additional \$200 million that has an executive order signed by the Trump Administration supporting the apprenticeships programs; he has a very strong forefront in Washington, D.C.; and he is hopeful to see additional funding as a result of this moving forward.

Susan Palma, President of Precision Shapes, advised this is scary stuff for her about the German aspect of it all and does think they are a little bit late on the Consortium; she is all about aviation and space, and anything that has machinist in it is dear to her heart; American Accrediting oversight entity is a part of this as well; and it is not just German. She mentioned this program being very successful in the Tampa area; for her company her sales have increased 43 percent over the last three years; she expressed her thanks to all for helping her get there; she has a backlog that is scaring her, because she needs people; and she is totally supportive and she wants to be in on it.

Jim Tulley stated a meeting was held at FabLab yesterday that Mr. Kamm and he attended with representatives from the American Space Museum, FabLab, Boys and Girls Clubs, COlaunch, and Computers Advancing Education, Inc.; Mr. Kamm is interested in collaborating with FabLab; but these organizations has incredible opportunity to help, not only the youth and second and third career people. He mentioned previously asking Mr. Post to place him on next month's agenda to show the Zone board some exciting things going on; and he urged the Zone board to support Mr. Kamm's efforts.

Walt Johnson, City of Titusville's Mayor, advised he is speaking for himself and not for Titusville's City Council; and he inquired what the actual ask is today. Mr. Post responded a letter of support; and he stated the final budget is unknown at this time for the construction of this machining lab, but 50 percent would come from the State.

Mr. Kamm advised he usually goes to local communities for the first match; in this effort he has to go to the State first; and his goal then is to go to the NBEDZ, to the County Commission, and to other local industries to try to find the additional monies that are needed to match the request.

Mr. Post stated this is to supply a letter of intent from Chairman Mikitarian for support to apply for application of grant funding to DEO and the entity is EFSC who is the primary applicant.

Dan Aton inquired from a zoning aspect is the location the best site for the location if it grows tremendously. Mr. Kamm responded the intent is to recruit the apprentices through the high schools, which are located within 10 minutes from the site selection location; and the initiative has to start small to grow, and cannot perceive until other companies come

onboard to hire the students because they will be spending time at the training center, school, and at the company at the same time. He advised the program has to be built steadily and 8,000 square feet is enough for the mechatronics technologies needed lab; and the instructors would come from the retirement community from the industry itself.

Donn Mount inquired which program does this fall under in the Economic Development Plan (EDP). Mr. Post responded under Workforce Development on page 25.

Stan Retz inquired who they is in the Consortium, who is going to own it, and who is going to operate it. Mr. Kamm replied the ask right now is primarily from EFSC; he advised he will be talking later on in the day with Dr. Desmond Blackburn, Superintendent of Schools, and Misty Belford, School Board Member, in regards to the pre-apprenticeship; the overall request will be putting in an executive director salary to oversee it across the entire County; and that one person would hire the instructors, and coordinate with the schools. Mr. Retz inquired who the executive director would work for. Mr. Kamm responded it would be the choice of the community; but it is undefined at this point. Mr. Retz remarked this to be a perfect example of how well the work the Zone is doing.

Motion by Robert Jordan, seconded by Stan Retz, to provide a Letter of Support from the Chairman for the application of grant funding to DEO for the entity of EFSC being the grantee to apply for funding from the State for the proposed regional apprenticeship program. Motion carried and ordered unanimously.

Micah Loyd stated he is assuming this will come back with an ask of something financial to support; he would like to know a little bit more about the structure of the program, if the Zone board decides to fund it; and if it is through EFSC, he personally does not want to support Palm Bay having an apprenticeship program because if the Zone is putting money into this, he wants to make sure that the program is structured for North Brevard.

Secretary/Treasurer Robert Jordan remarked the Whispering Hills buildings are pretty dilapidated; and he inquired if they are looking to take multiple buildings down. Mr. Kamm replied in regards to a machine shop it is looking at constructing a new facility.

## **V. New Business**

### **Paragon Plastics**

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated Paragon Plastics is limited with its acreage and is interested in purchasing four acres at \$30,000 per acre adjacent to its current facility at Armstrong Drive to build an estimated 22,000 square foot building; the result is viable for them to continue to grow; they are projecting another 18 jobs going from 52 to 70; and he provided the Economic Impact Analysis (EIA) from Florida's Space Coast Economic Development Commission (EDC) for the economic impact of job creation. He went on to say that has been no discussions for tax abatement or incentive; he provided the Zone board with Fiscal Impact Analysis (FIA) to show anticipated capital investment of \$1.1 million; this Project in its first year would have a Return on Investment (ROI) of \$162,107; the Zone would receive about \$7,900 annually from property taxes; and over a 10 year period, the Ad Valorem tax allocation to the Zone would approximately be \$80,000.

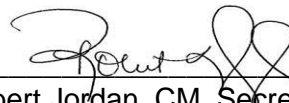
Walt Johnson, City of Titusville's Mayor, inquired if the EDC is participating in this monetarily. Mr. Post responded no. Mayor Johnson inquired why not. Mr. Post replied there is not a need for any type of an incentive to drive the Project at all. Mayor Johnson stated the Zone is still part of the County and this has been done to help North Brevard; but they still have an obligation to tax monies going from North Brevard into the County fund. Mr. Post explained there is no additional role for the EDC to play, they only provided the EIA, and are aware that Paragon Plastics wants to expand.

Donn Mount remarked Paragon Plastics is not asking for any money, they just want to buy more property.

Motion by Donn Mount, seconded by Robert Jordan, to approve the option of purchasing four +/- acres at \$30,000 per acre; and to approve bringing the offer to the Board of County Commissioners. Motion carried and ordered unanimously.

Secretary/Treasurer Robert Jordan inquired if the money comes back to the Zone. Mr. Post responded it does, but it has to be used within Spaceport Commerce Park.

Upon consensus, the meeting adjourned at 9:44 a.m.

A handwritten signature in black ink, appearing to read "Robert Jordan", written over a horizontal line.

Robert Jordan, CM, Secretary/Treasurer

Approved on February 9, 2018.