

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

March 10, 2023 @ 8:30 a.m.

Statham Park
7101 U.S. Highway One
Titusville, Florida 32780

Board Members:

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

Telephone: Dr. Brenda Fettrow

Absent: George Mikitarian and Donn Mount

Call to Order: Meeting was called to order at 8:33 a.m. by Rodney Honeycutt, Acting Chair

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

Motion by Stan Retz, seconded by Robert Jordan, to appoint Rodney Honeycutt as Acting Chair. Motion carried and ordered unanimously.

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

Troy Post, CEcD, CBE, NBEDZ Executive Director, mentioned a few corrections needed to be made to the January minutes due to misspelled names.

Motion by Robert Jordan, seconded by Stan Retz, to approve the January minutes, with corrections, and February minutes as presented. Motion carried and ordered unanimously.

II. Report on Expenditures to Budget

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated the most recent financial report was provided; everything is following closely according to the budget; and the budget will be addressed at the next meeting for approval at the May meeting and then present it to the Titusville City Council and the Board of County Commissioners for final approval in July or August.

Motion by Robert Jordan, seconded by Bart Gaetjens, to approve the Report on Expenditures as presented. Motion carried and ordered unanimously.

III. Staff and Partnership Reports/Updates

North Brevard Economic Development Zone Executive Director Report

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated he participated in the SPACECOM Trade show/expo in Orlando and it was a good networking opportunity; he attended a meeting held by the East Central Florida Regional Planning Council with County department directors on the Military Installation Resilience Review (MIRR) grant program to help communities fortify local infrastructure; staff submitted applications for consideration under a Florida Power and Light initiative for the remaining lands in the Spaceport Commerce Park (SCP) and an 83-acre tract near the correctional facility; and he had a good meeting with Full Sail Marine about a possible project. He added he provided input for Titusville's proposed Sustainability Plan, which includes areas impacting economic development; he then met with Rodney Honeycutt about the potential issue with the sanitary sewer line near SCP, which was brought up at the Strategic Planning meeting; and he thinks it may be a good candidate for some grants so it would not cost as much.

Scott Larese, City of Titusville Manager, mentioned the City of Titusville is looking at the lift station as well and using some impact fees to improve that portion of it; and there is a possibility of a partnership for the project.

Rodney Honeycutt remarked one of the options was to by-pass that lift station with a force main to the south, giving it additional capacity without having to re-do it.

Mr. Post stated he met with a Tampa-based company about a proposed project for apartments at the site of an existing trailer park in downtown Titusville; and there are several prospects in the works for local expansion and/or redevelopment projects.

Bart Gaetjens asked for more information on the sustainability plan.

Mr. Larese responded that part of the sustainability plan that the City is putting together has an economic development and education component; and they reached out to Mr. Post to get the regional economic impact.

City of Titusville

Scott Larese, City of Titusville Manager, stated the City was able to resolve the issues with the Tranquility Bay project issues and the project is back on track.

Titusville-Cocoa Airport Authority (TCAA)

Kevin Daugherty, TCAA Director, stated he has been in discussion with space and aviation companies and there has been lots of interest in North Brevard and Titusville; Space Coast Innovation Park is progressing and the master plans are moving forward; and Lisa Nicholas is now working with TCAA.

IV. Discussion and Direction

Strategic Planning Exercise – Initial “Take-Aways”

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated he went through the record of the strategic planning exercise from the last meeting and filtered out a few pages of the pertinent information; the conclusion he has taken away from the exercise is that the language of Plan is acceptable; the focus has changed a bit, although the focus is still to create jobs for the area, now there is more interest on infrastructure; he reviewed some of the results and comments; and one of the comments was that the jobs created needed to be filled with people who live in North Brevard. He added that the problem with City permits is related to insufficient staff to keep up with the demand; and local companies and schools are having to compete with the aerospace industry for employees, as they pay higher wages.

Bart Gaetjens asked Scott Larese, City of Titusville Manager, to discuss the permitting process for Titusville; Mr. Larese shared the application is online and there is a pre-application meeting and a clerk is assigned to help applicants if they are unfamiliar with the routine; and Mr. Gaetjens feels this should be publicized more.

Dan Aton commented the Economic Impact Analysis that Mr. Post prepares is very helpful; it shows what it will mean to the City and/or the County, and to the Zone, for the long-term financial impact for the tax base; and he would like to be able to see this type of information provided at the Planning and Zoning meetings.

Mr. Post stated it was mentioned at the strategic planning meeting that some potential language might be added in the future incentive agreements; and a suggested goal could be made for proposed companies to hire locally. He also mentioned having a wind category rating for new buildings; it was talked about working with the supply chain network for the different industry sectors; the general consensus was that NBEDZ did not need to do any extra marketing, but to let the Economic Development Commission of Florida’s Space Coast continue to work on that; and it was suggested to try to find smaller parcels for industrial properties and try to identify private sector developers to work with to achieve that. He asked the board members to take home the sheet of take-aways from the strategic planning exercise for review.

Request to Issue “Letters of Support”

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated he was asked to provide two letters of support through the Zone board:

Malta Energy’s Proposed Redevelopment of OUC Site in Port St. John

Mr. Post stated the former Orlando Utilities Commission (OUC) fossil fuel plant that burned oil which has been dormant for a few years; a group called Malta Energy wants to make an investment of \$200-300 million to improve the site and create an energy storage facility; it will only be 20-30 jobs, but it would be a great re-use of the site; and it would be a nice addition to the tax-base. He added they are trying for a Federal infrastructure grant; and they would have the site operational in three to four years.

Bart Gaetjens mentioned there was an issue previously that Brevard County was not receiving any income tax due to it being government run, yet it was operating in Brevard County; it then sold three times and that went on the tax base; and it is now back in OUC's hands and the County is receiving no revenue from it. He added it could be something to put the County on the map for cleaning the area and new energy storage; and he needs to learn more, but the concept sounds positive.

Robert Jordan and Mr. Gaetjens discussed whether or not there would be tax revenue from the project. Mr. Post advised he would look into it as he was not sure.

Commissioner Pritchett remarked the company is not looking for money, they are looking for grant funds; and she thinks it will provide some tax revenue.

Motion by Robert Jordan, seconded by Dan Aton, to send the letter of support for Malta Energy's proposed development of the OUC site. Motion carried and ordered unanimously.

Florida Aerospace and Defense Training Center Hub

Mr. Post stated there is a need for a training center to accelerate the apprenticeship program that brings in high school and college students for training that will hopefully secure jobs in local industries; there is a program through the State that provides a grant for projects such as this; they intend to build a training facility at the Logistics Center, partnering with Beyond Gravity (RUAG); and they have asked for a letter of support to try to get an appropriation from the State and possibly a Department of Defense grant. He added they are labeling this an Aerospace and Defense Training Center; and they hope to work with companies such as Lockheed and Northrop Grumman.

Motion by Robert Jordan, seconded by Bart Gaetjens, to send the letter of support for Florida Aerospace and Defense Training Center Hub, to include the signature of the Chair. Motion carried and ordered unanimously.

V. New Business Items

Offer to Purchase: Proposal Request from Project "Edge"

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated this company is seeking a site for administrative work, Information Technology, and underwriting operations; they would have between 250-300 employees in a three-story building and possibly a second building in the future; and they submitted an offer of \$50,000 per acre for the 15-acre lot.

Dr. Brenda Fettrow inquired about the six percent real estate commission and whether that should be paid by the Zone.

Mr. Post advised that is because the company involved a real estate firm for the purchase, but usually the companies contact NBEDZ directly or come from the Economic Development Commission of Florida's Space Coast.

Stan Retz suggested the company pay the real estate commission as they are already getting a good price on the land; and he asked if the employees were going to be moved from another location or creating new jobs.

Mr. Post replied there would be some jobs moved and over time, more created.

Robert Jordan agreed that NBEDZ should not pay the real estate commission, which would be over \$40,000; he thinks this is an odd type of business for the Spaceport Commerce Park (SCP) compared to what is there, but if they do not care, then he does not care; and he inquired if NBEDZ had to stick to market value since it is a government agency.

Christi Schverak, Assistant County Attorney, replied NBEDZ has special State authority so it does not have to sell at market rate, and it is unique to SCP; and if it was selling outside of SCP, it would have to be sold to the highest bidder.

Mr. Post remarked as the property at SCP gets less and less, it will drive the prices up and possibly go above the market rate; and it would still be claimed as an economic development incentive.

Dan Aton asked if the proceeds could be used for amenities at SCP, like sidewalks, a luncheon park, or infrastructure sewer projects.

Mr. Post replied he would have to look at the resolution or ordinance, but he feels that would be covered; he noted that it would need to be careful with the spending since the clawback provisions provide for repurchasing a property if the owner does not build within a certain time; and there would need to be sufficient money to repurchase the property.

Edna Wilson advised if this real estate agent is very active with commercial property and they procured the deal, the Zone may not want to make them angry, as they may not bring it another deal.

Mr. Retz clarified that the board did not recommend to not pay the commission, only that it should be paid by the buyer.

Motion by Robert Jordan, seconded by Stan Retz, to recommend to the Brevard County Board of County Commissioners that it approve the sale of approximately 15 acres of land in the Spaceport Commerce Park to the company referred to as Project "Edge", for the price of \$50,000 per acre, provided that the deed contain the same clawback provisions as are present in recent land sales of commerce park property, with the six percent real estate commission to be paid by the buyer. Motion carried and ordered unanimously.

*Dr. Fettrow's absence is noted at 9:37 a.m.

Proposed “Small Business Assistance” Centers:

Coworking/Business Counseling at Former Cuyler School in Mims

Troy Post, CEcD, CBE, NBEDZ Executive Director, reminded the board of the project that Karen Tooley-Curry proposed at an earlier meeting; she has asked the Zone board for \$46,600 to defray a portion of the cost of the project, which is just under the 20 percent threshold policy of the Zone; and this would be a reimbursement grant after the improvements have been done.

Ms. Tooley-Curry explained the intentions for the improvements at the former Cuyler School; she plans for workforce development and will wait to decide what type of training will be provided after hearing back from the space industry on what their needs are; and the objective is for students to be trained in the necessary fields and be hired immediately.

Bart Gaetjens inquired as to how she will maintain the debt service.

Ms. Tooley-Curry replied once she got the letter of interest from the Community Loan Fund, the debt service was lower than she expected; and they also have a grant submission in to the National Science Foundation and the administrative fees from that grant will also help to pay back the loan, if they end up having to pay it back.

Mr. Gaetjens asked if she could get the building designated as a historical building.

Ms. Tooley-Curry responded she is working on it but the School Board is reluctant as it comes with other requirements, so she is looking into getting the site designated as historic instead.

Robert Jordan mentioned there may be another type of incentive that the Zone could provide in the future to help with operational needs.

Dan Aton suggested the Zone board could write a letter of support to help with the grant application.

Commissioner Pritchett mentioned there are many private schools opening now; and she suggested the Zone board could set aside some funds to help with new private and charter schools.

Motion by Robert Jordan, seconded by Bart Gaetjens, to provide a reimbursement grant totaling \$46,600 to the non-profit Tooley Community Development Group, to serve as a local match in the non-profit's efforts to obtain State and/or private funding for improvements to the former Cuyler School in Mims, improvements that should permit it to provide Science, Technology, Engineering, and Mathematics (STEM) education programs and entrepreneurial assistance in a setting conducive for learning and business development. Motion carried and ordered unanimously.

Motion by Dan Aton, seconded by Edna Wilson, to provide a letter of support for the Tooley Community Development Group acknowledging the Zone's support and possible future support as additional opportunities arise for the project and in this area. Motion carried and ordered unanimously.

Kitchen Incubator Program at Former Gibson School in Titusville

Mr. Post mentioned another program is at the Gibson Complex; the group is represented by Jacqueline Idlette-Reason; she runs a non-profit called GROW and leases a portion of the Gibson campus through Parks and Recreation (P&R); she is trying to add a co-working space and expand the kitchen into a commercial kitchen for the sale of food products; and she is asking for financial assistance to complete the kitchen incubator component.

Mr. Aton asked if the Zone provides 20 percent, where is the other 80 percent coming from.

Mr. Post replied Ms. Idlette-Reason is looking into other grants that she has applied for, she has put money into it herself, and P&R has put in \$105,000 in upgrades to the facility; and this is a County-owned building that would receive the improvements.

Mr. Gaetjens encouraged Ms. Idlette-Reason to get a Florida Power and Light Energy Audit, as there could be energy recovery ventilation systems and other things, which might pay for itself or have a very short payback; and there are other energy savings programs that look at water and energy which may be able to provide a payback.

Ms. Idlette-Reason is in attendance on the phone. She provided a brief overview of the concept for the Zone board; and she explained the lease is provided in-kind by the partnering organization, Progressive Action Society, who has the lease with P&R.

Mr. Jordan asked if she has any income coming in.

Ms. Idlette-Reason replied yes, but not through this specific program; and the income is coming from other programs, which is about \$41,000 per year.

Christi Schverak, Assistant County Attorney, stated it is an interesting set-up because improvements are being made to a County facility; she suggested both entities be part of it; and she would need to look at the lease.

Stan Retz asked if she has filed a Form 990 with the Internal Revenue Service; and he mentioned this Form shows if the non-profit is current with their filings.

Ms. Idlette-Reason replied affirmatively.

The Zone board discussed the fact that improvements and fixtures would be for a County facility that is being leased, whether that is allowed, and what fixtures would remain at the facility if the lease expired; it was noted that many items on the list are not permanent fixtures to the property, including a golf cart; and Attorney Schverak stated she would need to review the lease and may need to have more discussion with the Zone board.

Motion by Dan Aton, seconded by Bart Gaetjens, to agree to provide a reimbursement grant of \$48,032, to GROW Non-Profit Services Corporation to aid in its efforts to improve the County-owned Gibson School property and thus create a business incubator for local, entrepreneurial ventures involving the production and distribution of food products; grant approval is subject to receipt of the lease and the grantee's proposed use of the grant funds, to ensure the organization is in good standing, the grant meets the criteria for NBEDZ; and the grant includes a mechanism for NBEDZ to validate the funds are spent in accordance with the application, which will be reviewed by counsel and executive director. Motion carried and ordered unanimously.

VI. Old Business Items

Proposed Amendment to NAP Contract: "Spec" Building at Spaceport Commerce Park

Troy Post, CEcD, CBE, NBEDZ Executive Director, reviewed the issues which have come up with the contract with North American Properties (NAP), and discussed the proposed amendment to the contract.

Christi Schverak, Assistant County Attorney, stated she thinks the changes made on Addendum two, paragraph three is a very simple change; she needs to make sure it is clear which restrictive covenant is coming off, as it would not want to remove Spaceport Commerce Park's (SCP) over-all restrictive covenants; there are just a couple of words to add to that; the bigger issue is with the edits NAP made to her edits to Addendum two, paragraph four, letter "a"; and she needs to know how to define a pad-ready site. She continued by saying NAP does not want to do a concrete foundation because the future user may need to alter it; to change the terms to allow them to develop a pad-ready site needs to be well-defined and she does not know what to put in there; and she advised this is not ready to go because that needs to be defined.

Mr. Post mentioned on many of the recent deals, there has been a definition of what the Zone considers pad-ready up to this point, which is to clear the site and pour a concrete foundation; that is because the Zone is selling a site with a specific user in mind; and NAP does not know who the end user is or what their needs are going to be.

Kat Butler, NAP Senior Vice President, remarked that is correct; to pour the slab ahead may result in it having to be removed to make it work for the end user; and pad-ready, to NAP, is making sure the utilities are to the site and land is mitigated and cleared.

Rodney Honeycutt agreed that would be pad-ready when there is not a known user.

Attorney Schverak repeated land is up to grade, land is mitigated, and utilities are to the site; and she asked what it means that land is mitigated.

Mr. Honeycutt replied there are some wetlands on the site.

Ms. Butler advised it is going through the St. Johns River Water Management District (SJRWMD) permit process; they are through Florida Department of Environmental

Protection (FDEP); there are turtles on-site to be mitigated; and it needs to be cleared as it is pretty dense.

Robert Jordan asked if the land is mitigated, does it mean the land is permitted.

Mr. Honeycutt replied the permitting process has to be done to be able to mitigate; and NAP will have to have a “make believe” site plan submitted to get a permit and go through the full process to do construction with all the permitting agencies.

Mr. Jordan asked if NAP has to do all of that as permitted in order for the Zone board to declare it pad-ready.

Ms. Butler replied yes; and she stated they will have to have a site-work permit to move forward, which requires a site plan.

Attorney Schverak repeated a permit for site work, land is cleared, land is up to grade, land is mitigated and through the SJRWMD permit process, and utilities to the site; and she asked what utilities have to be to the site.

Mr. Honeycutt replied water, sewer, and electric; and he suggested instead of saying SJRWMD, he would say agencies having jurisdiction.

Mr. Jordan asked if the Zone board would be changing the vision for a pad-ready site, for future use.

Mr. Post remarked for NBEDZ to do its own pad-ready site is a very expensive and complicated process; this is a way to achieve it by having a private developer step forward; for the Zone, it is about having the building built, occupied by a company with jobs, and there is new capital investment in the area; and how it gets there is less of a concern.

Mr. Jordan asked if this criteria would be used for all pad-ready projects or would it be different for the Zone’s vision.

Mr. Post replied he would call this pad-ready and where it fits into the Plan.

Attorney Schverak asked if “utilities to the site” means utilities brought to the site or on the site; and asked what would be the correct verbiage.

The board reached consensus as “available on the site to the property line.”

Mr. Post advised he is hoping this can make it to the Board of County Commissioners in April before the option expires in May.

Ms. Butler asked for clarification of the line that reads “The percentage of full-time-equivalent employees will not exceed 35 percent of the combined total number of permanent full-time employees and full-time-equivalent employees.”

Attorney Schverak remarked it is the total number of permanent full-time employees and full-time-equivalent employees; and it cannot have more than the total of both the full-

time and full-time-equivalent employees to avoid a situation where all the employees are part-time.

Motion by Robert Jordan, seconded by Stan Retz, to approve the proposed changes by NBEDZ and NAP to the contract, and to include the definition of “pad-ready” as land is up to grade, land is mitigated, and utilities are available on the site to the property line; and to approve the recommendation of forwarding the agreement to the Board of County Commissioners for approval. Motion carried and ordered unanimously.

Approval “As to Form”: Proposed Agreement with TCAA – Project “Innovation Park”

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated Christi Schverak, Assistant County Attorney, incorporated the comments made at the last meeting and created a document to pass along to the Airport Authority; she designed it providing the reimbursements in certain thresholds of 30 percent of the total NBEDZ grant; he went over the documentation and actions required for reimbursement at each threshold; and there are four or five clawbacks. He added the document was created and sent to the Airport Authority, which received unanimous approval.

Kevin Daugherty, TCAA Director, stated they made an application to Space Florida for construction funding; and it will be taken to their board on April 27, 2023, as they want to fund it this year.

Motion by Robert Jordan, seconded by Dan Aton, to approve “As to Form” the proposed Agreement with Titusville Cocoa Airport Authority (TCAA) for Project “Innovation Park.” Motion carried and ordered unanimously.

Mr. Post advised the board that this would be Attorney Schverak’s last meeting with NBEDZ; Morris Richardson, County Attorney, will be taking her place; and he and the board expressed their appreciation to Attorney Schverak.

Upon consensus, the meeting adjourned at 10:45 a.m.



Donn Mount, Secretary/Treasurer

Approved on April 15, 2023