

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

November 9, 2018 @ 8:30 a.m.

Parrish Medical Center - Health Village West/Heritage Hall
931 N. Washington Avenue
Titusville, Florida 32796

Board Members:

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

Absent: Micah Loyd

Telephone: Dr. Brenda Fettrow

Call to Order: Meeting was called to order at 8:30 a.m. by George Mikitarian, Chairman.

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

II. Approval of Minutes

Motion by Robert Jordan, seconded by Dan Aton, to approve the August 10, 2018, meeting minutes as presented. Motion carried and ordered unanimously.

Stan Retz's presence is noted at 8:35 a.m.

III. Staff and Partnership Reports

North Brevard Economic Development Zone Executive Director Report

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated he shared an exhibition booth with the City of Titusville, participating in the fourth year of the NASA Small Business Expo, held at Port Canaveral on October 23, and he providing companies with networking opportunities; he met with Space Florida and ServisFirst Bank for the economic outlook for the local supplier chain that is being created by Blue Origin, SpaceX, Boeing, and other private aerospace leaders; and he attended the Spacecoast Commerce Park tenant association held at TICO Airport on October 30, and he worked on updating the Directory of Manufacturers and Suppliers in North Brevard. He advised United Frontiers group is a small rocket technology firm that has taken up office space at COlaunch and is working to identify an industrial building for fabrication work; he met with a group from Toronto that works in cyberspace security, about the need for office space near Kennedy Space Center; and he discussed with a Merritt Island industrial firm its interest in building a new 15,000 square feet manufacturing place in close proximity to the Paragon Plastics site, a company with which it does business. He mentioned

completing a full week of Lean Six Sigma (LSS) green belt training and testing, as part of the County's ongoing attempt to institute more LSS techniques into its process, for greater efficiency and waste reduction. He stated he attended the monthly Chamber of Commerce luncheon and a day-long session with LEAD Brevard; he spoke before a group in Port St. John about the Zone; and he discussed an approaching EPA grant deadline for an application on the former jail site.

City of Titusville Economic Development Director Report

Edyie McCall, City of Titusville Economic Development Director, stated the second City ASCEND Business Retention and Expansion Survey was launched via email through Survey Monkey, the last Survey was conducted in June 2015, and the Business Tax Recipients in the City are required to complete the survey.

IV. Presentation of Annual Report for Greater Titusville Renaissance Program of Work

Cathy Musselman, Greater Titusville Renaissance (GTR) Executive Director, provided the Zone board with a PowerPoint Presentation of the annual report for the GTR Program; and she provided the Zone board with a copy of the COlaunch annual report for Fiscal Year 2017-2018.

Jack Gould, Vice President, Senior Small Business Banker of Seacoast Bank, stated he received the best business plan he has ever seen from an individual working out of COlaunch, who is now living their dream owning Pizza@ Titus Landing; they have become a community partner; and he expressed his thanks to the Zone board for their support.

Bentley Radcliff stated he is a member of COlaunch operating his software company; he finds COlaunch to be incredibly valuable; and he expressed his thanks to Ms. Musselman for all of her hard work managing COlaunch.

Donn Mount inquired if there is a way to analyze the return on investment for COlaunch. Troy Post, CEcD, CBE, NBEDZ Executive Director, replied he will run an IMPLAN analysis of all the variables for COlaunch; and he stated the contractual arrangement with the lease for COlaunch goes through February 2020.

Motion by Robert Jordan, seconded by Louis Sanders, to accepted the annual report for the GTR Program of Work. Motion carried and ordered unanimously.

V. Project Grand – Revised Request for Financial Assistance

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated Project Grand is Red Canyon Software; he introduced Laura Hamilton, Developer, and Kris Harvey, Loyd Contracting Co., Inc.; at the time when the original application was submitted the projected costs for the Project were \$3.4 million and they had not yet disclosed who the general contractor was going to be; but he disclosed Micah Loyd is not present today due his company being the selected contractor, which was after the Project was announced. He went on to say after doing a detailed analysis of the old bank building they are doing multiple activities there for some residential and office space, plus trying to qualify for Federal Historical Tax Credit (HTC); and since originally submitting their application in July 2018

November 9, 2018

for assistance all of that has led to some increases in costs, they have submitted a revised application based upon them receiving numbers from the contractor, and now it is a \$5.6 million investment.

Ms. Hamilton stated the proposed idea for the formerly called Walker Hotel is to have 20 apartments, retail space, a restaurant, and a destination aerospace working company that would be backed by Red Canyon; and when they first purchased the building there were a lot of things covering up the structural integrity problems in the building.

Mr. Harvey stated this building was built in 1924; when the layers of years were peeled back it was discovered that in that era they missed the structural elements of support for the interior of the building, and on up to the third floor; when walking down the hallway it was discovered that the floor has a significant crown that caused the need to engage with a civil engineering group to help him identify where the problem was exactly; and the entire length of the old Walker Hotel, as they built the second floor is offset of the load bearing element on the first floor, and the third floor lines up with the second floor. He went on to say 1,200 linear feet of new structural walls on the first floor were installed; then they have to remove the historic elements, reinforce the wall integrity, and then put those historic elements back; and the value of the structural improvements is in the range of an additional need for \$500,000 to \$600,000 that was not anticipated.

Louis Sanders inquired what is being asked for in the new application. Mr. Post responded a previous commitment had been made for \$150,000; he stated the new application is asking for \$300,000; the Project is located in a HUBZone; and the total commitment would be up to \$450,000.

Secretary/Treasurer Jordan inquired if that is to be paid after getting the Certificate of Occupancy. Mr. Post responded affirmative; and he stated it may require a few months of occupancy for its intended use.

Secretary/Treasurer Jordan's absence is noted at 10:00 a.m.

Scott Larese, City Manager of City of Titusville, mentioned the City had looked into putting in a parking garage in the downtown area because of the increase in traffic and the trail network coming into the City; a traffic study had been done that said currently the capacity is 40 percent being used, so parking is available; and during events it was found that capacity is underutilized.

Secretary/Treasurer Jordan's presence is noted at 10:05 a.m.

Ms. Hamilton stated she is expecting 100 members for the coworking space and 20 residents in the apartments; those are all people who will be living downtown and populating the streets; and the lighting is planned to be lit in discrete ways.

Motion by Donn Mount, seconded by Louis Sanders, to increase the previously approved amount of funding of \$150,000 to \$450,000 for Project Grand. Motion carried and ordered unanimously.

November 9, 2018

Thomas Altif, Kayaks by Bo, stated as a business owner downtown, he is in favor of Project Grand.

Jack Gould, Vice President, Senior Small Business Banker of Seacoast Bank, stated the amount the Hamilton's have already invested in Project Grand speaks volumes; it is already known that there are not a lot of people who are willing to start a \$5 or \$6 million project; the Hamilton's are quality folks with a proven track record; and he thinks they are going to be very successful.

Upon consensus, the meeting adjourned at 10:17 a.m.



Donn Mount, Secretary/Treasurer

Approved on February 8, 2019.