



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Consent

F.10.

5/5/2026

Subject:

Approval of Resolution and Real Estate Contract for Sale of Property in County-Owned Spaceport Commerce Park in Titusville

Fiscal Impact:

Net proceeds from the sale would be deposited into an account for use on Spaceport Commerce Park related expenditures.

Dept/Office:

County Manager's Office

Requested Action:

It is requested that the Board of County Commissioners approve a Resolution and Real Estate Contract permitting the sale of approximately three (3) acres of land in the county-owned Spaceport Commerce Park in Titusville for \$195,000 (or \$65,000 per acre) to DENEK, LLC, and that it authorize the BOCC chair to execute all documents in connection thereof.

Summary Explanation and Background:

DENEK, LLC, d/b/a DENEK Solutions, is a local, Brevard County-based supplier for the aerospace industry that designs, fabricates, installs, and maintains automated industrial equipment for commercial space flight systems and NASA space flight systems. Among its product and service lines, it integrates process paint systems and applicator robots, builds custom electric control panels, and offers 3D engineering design support for space launch systems and structures.

The company, a woman-owned enterprise that began operations in 2009, is currently leasing an industrial building in Titusville, but now requires more light industrial space for its contract work and the storage of parts and components. Working with county staff formerly assigned to the North Brevard Economic Development Zone (NBEDZ), the company identified a lot in the Spaceport Commerce Park in Titusville for the construction of a new industrial facility measuring 15,000 sq. ft. The construction of this building is expected to result in a capital expenditure of \$3 million.

Upon receipt of a formal real estate purchase offer from the company, county staff prepared an economic impact analysis on the proposed project. That analysis considered the project's anticipated capital expenditure, and the retention and creation of jobs at the project site (including construction sector jobs). The findings of the analysis indicated that the project would generate 29 construction jobs and 8 direct, indirect, and induced jobs throughout the local economy, further solidifying the region's network of aerospace supply chain companies.

Contact: Troy Post, at 321-960-1458 (or troy.post@brevardfl.gov).

Clerk to the Board Instructions:

Provide signed copy of resolution and real estate contract to CAO and to Troy Post in the County's Planning & Development Department



Kimberly Powell, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Kimberly.Powell@brevardclerk.us

May 6, 2026

M E M O R A N D U M

TO: Billy Prasad, Planning and Development Director Attn: Troy Post

RE: F.10., Resolution and Real Estate Contract for Sale of Property in County-Owned Spaceport Commerce Park in Titusville

The Board of County Commissioners, in regular session on May 5, 2026, adopted Resolution No. 26-041, and approved Real Estate Contract permitting the sale of approximately three (3) acres of land in the County-owned Spaceport Commerce Park in Titusville for \$195,000 (or \$65,000 per acre) to DENEK, LLC; and authorized the Chair to execute all documents in connection thereof. Enclosed are the fully-executed Resolution and Contract.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK

Kimberly Powell, Clerk to the Board

/tr

Encls. (2)

cc: Contracts Administration
Asset Management
County Manager
County Attorney
Finance
Budget

RESOLUTION NO. 2026 - 041

**A RESOLUTION AUTHORIZING CONVEYANCE OF REAL PROPERTY INTEREST IN A PARCEL
WITHIN THE SPACEPORT COMMERCE PARK TO DENEC, LLC, (d/b/a DENEC SOLUTIONS)**

WHEREAS, Brevard County, Florida, a political subdivision of the State of Florida, 2725 Judge Fran Jamieson Way, Viera, Florida 32940, hereafter known as the "COUNTY," owns certain real property described as an approximately three (3) acre parcel, preliminarily described and depicted as Exhibit "A;" and

WHEREAS, pursuant to Chapter 82-264, Laws of Florida, for the purpose of economic development, the COUNTY is authorized to sell or otherwise dispose of county-owned property within specific boundaries of the Gateway Center Industrial Park by private sale without compliance with Section 125.38, Florida Statutes; and

WHEREAS, the property described above is located within specific boundaries of the Gateway Center Industrial Park (now known as the Spaceport Commerce Park) and the sale promotes economic development and diversification; and

WHEREAS, a purchase offer for an approximately three (3) acre parcel, more or less, was tendered by DENEC, LLC, d/b/a DENEC Solutions, hereafter together known as the "COMPANY" at the price of \$65,000.00 per acre, with the exact acreage to be determined by a final survey; and

WHEREAS, this project, with its plan to build a new industrial facility for the COMPANY measuring 15,000 sq. ft., will further assist in the economic diversification of the COUNTY; and

WHEREAS, the sale of this lot to the COMPANY will aid in the future development of additional lots in the Spaceport Commerce Park, by evidencing the viability of this site location.

NOW, THEREFORE BE IT RESOLVED, THAT THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA does hereby agree as follows:

1. The foregoing recitations are true and correct and by this reference incorporated;
2. The sale of this parcel promotes economic development and diversification;

3. Upon completion of a survey of the property, to transfer ownership of an approximately 3-acre parcel, described generally in the attached Exhibit "A," to the COMPANY, at the offering price of \$65,000.00 per acre, with the total price to be determined based upon the acreage determined by a final survey prior to closing; and
4. To empower the Chairman of the Board of County Commissioners to execute all necessary documents related to this real estate transaction.

DONE, ORDERED, and ADOPTED, in regular session, this the 5th day of May, 2026.

ATTEST:




Rachel M. Sadoff, Clerk

BOARD OF COUNTY COMMISSIONERS
OF BREVARD COUNTY, FLORIDA


Thad Altman, Chair

As approved by the Board on 5/5/2026

Survey and Legal Description



CONTRACT FOR SALE AND PURCHASE

Seller: Board of County Commissioners, Brevard County, Florida
2725 Judge Fran Jamieson Way, Viera, Florida, 32940

Buyer: DENEK, LLC, d/b/a DENEK Solutions (or, LLC wholly owned by Buyer)
1355 White Drive
Titusville, Florida 32780

Legal description of property being transferred: A parcel containing approximately three (3) acres, more or less, and located within Sections 3 and 4, Township 23 South, Range 35 East, Brevard County, Florida, and being a portion of Parcel "C" of the Enterprise Park Plat, as recorded in the Brevard County Official Plat Records Book 32, Page 74, and more particularly described in **Exhibit "A"** attached hereto and incorporated herein, with the final legal description to be based upon a survey of the exact parcel completed and approved by Seller and Buyer prior to closing (hereinafter the "Property").

Terms: Seller agrees to sell, and Buyer agrees to purchase the Property pursuant to the terms and conditions set forth in this Contract for Sale and Purchase, Addendum 1 (Standards for Real Estate Transactions), Addendum 2, Exhibit "A" Preliminary Legal Description and Survey, and **Exhibit "B"** Restrictive Covenants.

Purchase price: \$65,000.00 (Sixty-Five Thousand Dollars and no/100) per acre, for a total price to be determined based upon the acreage determined by a final survey of the Property prior to closing.

Deposit: \$2,000.00 (Three Thousand Dollars and no/100) to be paid by Buyer to the Brevard County Clerk to be held in escrow and disbursed pursuant to the terms hereof.

Time for acceptance of offer; effective date; facsimile: If this offer is not executed by and delivered to all Parties OR FACT OF EXECUTION communicated in writing between the parties on or before July 31, 2026, the deposit(s) shall, at Seller's option, be returned and this offer withdrawn. The date of Contract ("Effective Date") will be the date when the last one of the Buyer and Seller has signed this offer as indicated herein. An electronic copy of this Contract and any signatures hereon shall be considered for all purposes as originals.

Title evidence: During the Inspection Period, Buyer may at Buyer's option obtain a) title search and/or b) title insurance commitment (with legible copies of instruments listed as exceptions attached thereto) and, after closing, an owner's policy of title insurance. See Addendum 1, Standards of Real Estate Transactions (A) for additional requirements.

Closing Date: This transaction shall be closed and the deed and other closing papers delivered within ninety (90) days of the Effective Date of this Contract, unless modified or extended by other provisions contained in this Contract (hereinafter the "Closing" or "Closing Date").

Warranties and Brokers: The following representations and warranties are made and shall survive closing.

- a. SELLER warrants that there are no parties in occupancy other than SELLER.
- b. BUYER warrants that the person signing this Contract on behalf of BUYER has all necessary authority to sign and bind BUYER.
- c. BUYER is a Florida corporation duly organized, validly existing, and in good standing under the laws of the state of its formation. BUYER's representatives are duly authorized and have the legal right, power and authority to enter into this Contract for Sale and Purchase, and to perform all of its obligations hereunder. The BUYER's performance under this Contract will not conflict with, or result in a breach of, any of the terms, conditions and provisions of its corporation, or of any law, statute, rule, regulation, order, judgment, writ, injunction or decree of any court or governmental instrumentality, or any contract, agreement or instrument to which BUYER is a party or by which is bound.
- d. The provisions of this warranty section shall survive the Closing Date.

Inspections: The BUYER shall have sixty (60) days after the Brevard County Board of County Commissioners has executed the contract within which to complete physical inspection and evaluation of the property for environmental, hazardous materials, suitability for development, access, drainage and subsurface conditions (hereinafter the "Inspection Period"). In the event a Phase I environmental assessment meeting ASTM standards is prepared and environmental issues objectionable to BUYER are detected, SELLER shall 1) take all steps necessary to remove BUYER'S objections prior to the expiration of the 60-day inspection period, if possible or 2) if acceptable to BUYER, SELLER shall allow an additional ninety (90) days to provide adequate time to conduct a Phase II assessment meeting ASTM standards. If the Phase I assessment reveals contamination objectionable to Buyer for any reason this agreement may be terminated by BUYER, and BUYER may decline to allow SELLER to clean up or to proceed to a Phase II assessment. Likewise, if the Phase II assessment reveals contamination objectionable to BUYER, BUYER may terminate this agreement. Alternatively, BUYER may grant SELLER an additional ninety (90) days to clean up the site after the Phase II assessment, but BUYER is not required to do so. SELLER shall allow the BUYER or its agents reasonable right of entry upon the property for inspection purposes. Before the expiration of the initial 60-day inspection period or the additional 90-day extension for a Phase II assessment, BUYER shall have the right to terminate this agreement with a full refund of any deposits, should the results of the inspections be objectionable to Buyer for any reason whatsoever. If clean up after a Phase II assessment is attempted but unacceptable to BUYER, in BUYER's sole and absolute discretion, the BUYER shall have the right to termination of this Contract and receive a full refund of its deposit.

Special Clauses: X See attached Addendum 1, Standards for Real Estate Contract, and Addendum 2 - To Contract for Sale and Purchase.

IN WITNESS WHEREOF, the Parties have caused this instrument to be executed by their duly authorized representatives.

**BOARD OF COUNTY COMMISSIONERS
BREVARD COUNTY, FLORIDA**

BY: 
Thad Altman, Chair

Date: MAY 05 2026

ATTEST: 
Rachel Sadoff, Clerk



As Approved by the Board: MAY 05 2026

Approved as to Legal Form & Content:

County Attorney

BUYER: DENEK, LLC, d/b/a DENEK Solutions

Tax Identification Number: 26-4606622

Date: 02/16/2026

By: 

(seal)

Its: Owner & President

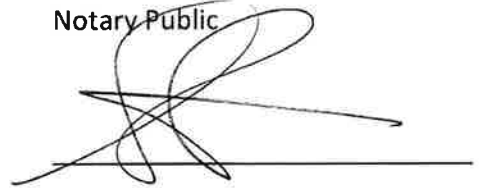
STATE OF FLORIDA

COUNTY OF BREVARD

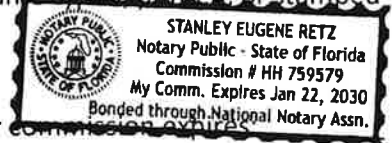
The foregoing instrument was acknowledged before me by means of ☒ physical presence or
☐ online notarization, this DEBRA J. NAH by _____ of
_____ on behalf of the corporation. He/she is personally known to me or has
produced _____ as identification.

[Notary Seal]

Notary Public



(Name typed, printed, or stamped)



My commission expires

Notary Public

ADDENDUM 1 - STANDARDS FOR REAL ESTATE TRANSACTIONS

A. EVIDENCE OF TITLE: (Applicable in the event Buyer opts to obtain a title commitment). A title insurance commitment issued by a Florida licensed title insurer agreeing to issue to Buyer, upon recording of the deed to Buyer, an owner's policy of title insurance in the amount of the purchase price insuring Buyer's title to the Real Property, subject only to liens, encumbrances, exceptions or qualifications set forth in this Contract and those which shall be discharged by Seller at or before Closing. Seller shall convey marketable title subject only to liens, encumbrances, exceptions or qualifications specified in this Contract. Marketable title shall be determined according to applicable Title Standards adopted by authority of The Florida Bar and in accordance with law. Buyer shall have ten (10) days from date of receiving evidence of title to examine it. If title is found defective, Buyer shall within three (3) days thereafter, notify Seller in writing specifying defect(s). Seller will have thirty (30) days from receipt of notice to remove the defects, failing which Buyer shall, within five (5) days after expiration of the thirty (30) day period, deliver written notice to Seller either: (1) extending the time for a reasonable period not to exceed one hundred twenty (120) days within which Seller shall use diligent effort to remove the defects; or (2) requesting a refund of deposit(s) paid which shall immediately be returned to Buyer. If Buyer fails to so notify Seller, Buyer shall be deemed to have accepted the title as it then is. Seller shall use diligent effort to correct defect(s) in the title within the time provided therefor. If Seller is unable to remove the defects within the times allowed therefor, Buyer shall either waive the defects or receive a refund of deposit(s), thereby releasing Buyer and Seller from all further obligation under this Contract.

B. SURVEY: Seller, at Seller's expense, shall have the Real Property surveyed and certified by a registered Florida surveyor. If survey shows encroachment on Real Property or that improvements located on Real Property encroach on setback lines, easements, lands of others or violate any restrictions, covenants or applicable governmental regulation, the same shall constitute a title defect.

C. TIME PERIOD: Time is of the essence in this Contract. Calendar days shall be used in computing time periods. Any time period provided for in this Contract that shall end or occur on a Saturday, Sunday, or a national legal holiday (5 U.S.C. 6103) shall extend to 5:00pm (where the property is located) of the next business day.

D. DOCUMENTS FOR CLOSING: Seller shall furnish, as applicable, the deed, bill of sale, construction lien affidavit (if applicable), owner's possession affidavit, assignments of leases, tenant and mortgagee estoppel letters and corrective instruments, as applicable. Buyer shall furnish the closing statement.

E. EXPENSES: Seller shall pay any recording of corrective instruments and the real estate commission. Buyer will pay for the cost of recording the deed, documentary stamps on the deed, any costs associated with the title insurance or property lien searches, and any settlement or closing fee.

F. PRORATIONS; CREDITS: THERE IS NO TAX PRORATION ON THIS PROPERTY.

G. SPECIAL ASSESSMENT LIENS: Certified, confirmed and ratified special assessment liens as of date of closing (not as of Effective Date) are to be paid by Seller. Pending liens as of date of closing

shall be assumed by Buyer. If the improvement has been substantially completed as of Effective Date, any pending lien shall be considered certified, confirmed or ratified and Seller shall, at closing, be charged an amount equal to the last estimate of assessment for the improvement by the public body.

H. PROCEEDS OF SALE; CLOSING PROCEDURE: The deed shall be recorded upon clearance of funds. If abstract of title has been furnished, evidence of title shall be continued at Buyer's expense to show title in Buyer, without any encumbrances or change which would render Seller's title unmarketable from the date of the last title evidence. Proceeds of the sale shall be held in escrow by Seller's attorney or by another mutually acceptable escrow agent for a period of not more than five (5) days after closing date. If Seller's title is rendered unmarketable, through no fault of Buyer, Buyer shall, within the 5-day period, notify Seller in writing of the defect and Seller shall have 30 days from date of receipt of such notification to cure the defect. If Seller fails to timely cure the defect, all deposit(s) and closing funds shall, upon written demand by Buyer and within five (5) days after demand, be returned to Buyer and, simultaneously with such repayment, Buyer shall return the Personal Property, vacate the Real Property and reconvey the Property to Seller by special warranty deed and bill of sale. If Buyer fails to make timely demand for refund, Buyer shall take title as is, waiving all rights against Seller as to any intervening defect except as may be available to Buyer by virtue of warranties contained in the deed or bill of sale. The escrow and closing procedure required by this Standard shall be waived if title agent insures adverse matters pursuant to Section 627.7841, Florida Statutes (1993), as amended.

I. FAILURE OF PERFORMANCE: If Buyer fails to perform this Contract within the time specified, including payment of all deposit(s), the deposit(s) paid by Buyer and deposit(s) agreed to be paid, may be retained by or for the account of Seller as agreed upon liquidated damages, consideration for the execution of this Contract and in full settlement of any claims; whereupon, Buyer and Seller shall be relieved of all obligations under this Contract; or Seller, at Seller's option, may proceed in equity to enforce Seller's rights under this Contract. If for any reason other than failure of Seller to make Seller's title marketable after diligent effort, Seller fails, neglects or refuses to perform this Contract, the Buyer may seek specific performance or elect to receive the return of Buyer's deposit(s) without thereby waiving any action for damages resulting from Seller's breach. In the event of any litigation arising out of this contract, each party shall bear its own attorney's fees and costs. **THE PARTIES AGREE TO A WAIVER OF ANY RIGHT TO JURY TRIAL AND THAT ANY TRIAL SHALL BE NON-JURY.**

J. CONVEYANCE: Seller shall convey title to the Real Property by County's deed, and shall state that the conveyance includes all interests in subsurface phosphate, minerals, metals and petroleum pursuant to section 270.11(3), Florida Statutes, as amended.

K. OTHER AGREEMENTS: No prior or present agreements or representations shall be binding upon Buyer or Seller unless included in this Contract. No modification to or change in this Contract shall be valid or binding upon the parties unless in writing and executed by the party or parties intended to be bound by it.

L. APPLICABLE LAW AND VENUE: This Contract shall be construed in accordance with the laws of the State of Florida and venue for resolution of all disputes, whether by mediation or litigation, shall lie in Brevard County, Florida.

M. ACCESS TO PROPERTY TO CONDUCT APPRAISALS, INSPECTIONS, AND WALK-THROUGH:
Seller shall, upon reasonable notice, provide access to Property for appraisals, inspections, and walk-throughs prior to Closing.

ADDENDUM 2 - TO CONTRACT FOR SALE AND PURCHASE

1. BUYER shall purchase the property in "AS-IS" condition. BUYER ACKNOWLEDGES AND AGREES THAT THE PROPERTY IS ACCEPTED BY BUYER IN ITS PRESENT CONDITION "AS IS," WHERE IS, AND WITH ALL FAULTS, AND THAT NO PATENT OR LATENT PHYSICAL CONDITIONS, WHETHER OR NOT KNOWN OR DISCOVERED, SHALL AFFECT THE RIGHTS OF EITHER PARTY HERETO.
2. BUYER agrees to abide by all covenants and restrictions existing on the Spaceport Commerce Park for the development of the property in the Official Records Book (ORB) of Brevard County, Florida, including but not limited to those at ORB 2460, page 2995-3008; ORB 2508, Page 2917; ORB 6395, Page 2380, and Plat Book 32, Page 74, also more particularly identified under Exhibit "B."
3. BUYER shall have no right to assign this Agreement without SELLER's prior written consent, which consent may be granted or withheld in SELLER's sole discretion.
4. It is understood that BUYER intends build a laboratory and distribution facility consisting of a minimum of 15,000 square feet (sq. ft.) on the lot being acquired. BUYER agrees to initiate this 15,000 sq. ft. building within twenty-four (24) months of transfer of title from SELLER to BUYER. Failure to proceed with the construction of said 15,000 sq. ft. building minimum, as evidenced by receipt of a building permit from the City of Titusville and the pouring upon the property of a concrete foundation equal to the building footprint specified above within said twenty-four (24) months period shall entitle the SELLER to the right to re-acquire the property at the same consideration paid by BUYER.
5. BUYER and SELLER agree the Parties intent is that the property transferred in the location shown at Exhibit "A" be a parcel of approximately three (3) acres. The purchase price shall be adjusted at closing depending on the exact acreage shown by boundary survey based on a value of \$65,000.00 (Sixty-Five Thousand Dollars and no/100) per acre.
6. PROPERTY TAX DISCLOSURE SUMMARY: BUYER SHOULD NOT RELY ON SELLER'S CURRENT PROPERTY TAXES AS THE AMOUNT OF PROPERTY TAXES THAT BUYER MAY BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.

7. DISCLOSURES: (a) SELLER extends and intends no warranty and makes no representation of any type, either express or implied, as to the physical conditions or history of the Property; (b) SELLER has received no written or verbal notice from any governmental entity or agency as to a currently uncorrected building, environmental or safety code violation; (c) SELLER has no knowledge of any improvements to the property (property is vacant land).
8. In accordance with paragraph 5 of the "Modifications of restrictive covenants for the area platted as Enterprise park and also known as Gateway Industrial Park and now known as Spaceport Commerce Park," as recorded at Official Records Book 6395, Page 2380, and attached as Exhibit B, Brevard County hereby gives written permission to the BUYER to construct a building with a metal roof, if so desired, provided that a metal or pre-engineered metal building must have a façade that completely disguises the metal construction characteristics of the building's front and the first fifty (50) feet of each side. Further, in accordance with paragraph 4, structural coverage, including outside storage areas, shall not exceed fifty (50) percent of the lot, and in accordance with the chart at ORB 6395, Page 2400, at a minimum, outside storage may not occur in the front yard, or within the minimum setbacks of the side and rear yards. Outside storage must be screened by a masonry wall or landscaped chain link fence.

BUYER's Signature, Acknowledging and Agreeing to Addendum:

Denec, LLC

By: Debra J Noah

Its: owner & President

Exhibit "A"
PRELIMINARY Survey & Legal
Description

Lot #5, Parcel C Subdivision

(On the following page)

Exhibit "B"
Covenant Restrictions

(On the pages that follow)

Modifications of Restrictive Covenants for the area
Platted as Enterprise Park and also known as Gateway Industrial
Park and now known as Spaceport Commerce Park

The Board of County Commissioners of Brevard County, Florida is the owner, (hereinafter referred to as "Owner") of certain real property located within the plat at Plat Book 32, Page 74 entitled Enterprise Park formerly known as Gateway Center Industrial Park and now known as Spaceport Commerce Park and hereinafter referred to as the "Property".

WHEREAS, Brevard County, Florida as the owner of the platted property imposed at said Official Records Book 2460, Page 2995 "Restrictive Covenants Gateway Center Industrial Park" amended at Official Records Book 2508, Page 2917; and

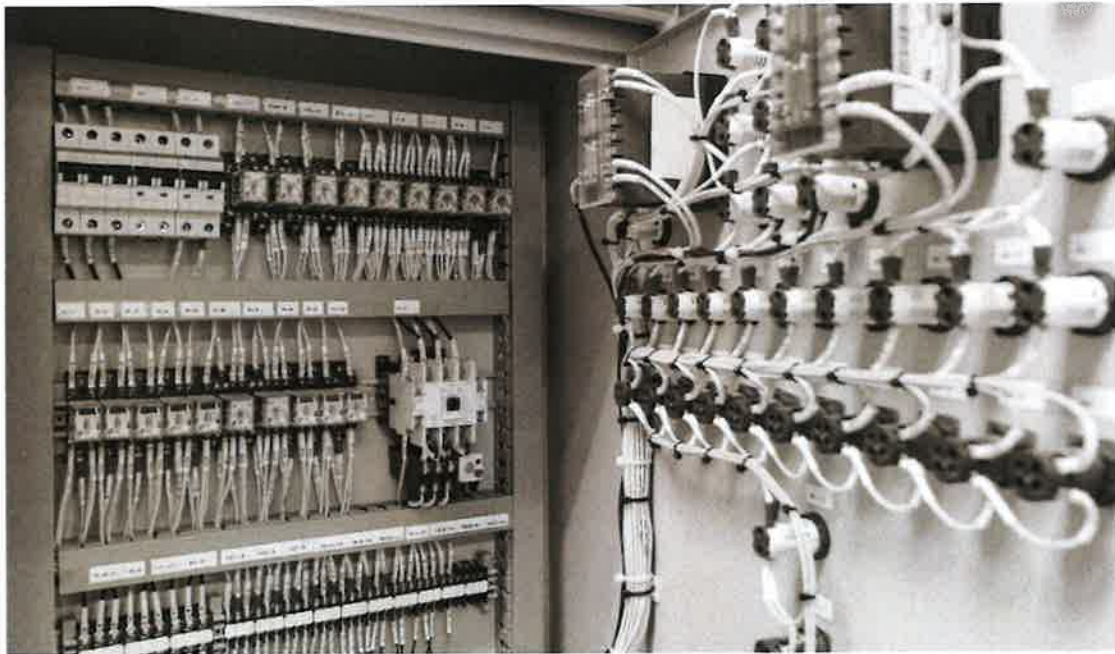
WHEREAS, the Owner desires to amend the restrictions upon the use and development of the Property located within Spaceport Commerce Park formally known as Enterprise Park and Gateway Center Industrial Park for the mutual benefit and protection of itself and the persons who may hereafter purchase and/or lease the said Property or any portion thereof; and

NOW, THEREFORE, the Owner does hereby declare the Property contained in the Enterprise Park at Plat Book 32, Page 74 also known as Gateway Center Industrial Park and (hereinafter Spaceport Commerce Park) to be subject to the following conditions, restrictions, standards, and reservations binding upon every person or corporation who shall hereafter become the purchaser or lessee of the said Property therein:

1. **Use:** The use policy for the Property within the Spaceport Commerce Park shall be for light, high technology industrial and related commercial and office operations, where such uses exhibit only those operational characteristics having low nuisance values with respect to dust, smoke, odors, gases, noise, fumes, heat, vibration and other traits associated with light, high technology industrial and related commercial and office operations. The specific uses identified below are allowed:

Economic & Fiscal Impact Analysis

**ANALYSIS AND OBSERVATIONS ON A PROPOSED ECONOMIC
DEVELOPMENT PROJECT IN BREVARD COUNTY, FL**



DENEC Solutions

February 2026



Economic & Fiscal Impact Analysis: Denec

Date Prepared: February 2026

Prepared By: Brevard County staff, using final-demand and direct-effect economic multipliers from the U.S. Department of Commerce's Bureau of Economic Analysis RIMS II Regional Input/Output Modeling System¹.

Project Overview²

DENEC, LLC (d/b/a DENEC Solutions), is a local supplier within the aerospace industry that designs, fabricates, installs and maintains automated industrial equipment for government and commercial space flight systems.

The company specifies and integrates process paint systems and applicator robots, provides industrial robotic systems with integrated conveyor lines, builds custom electric control panels, and offers 3D engineering design support for large space launch structures and systems.

Currently operating out of a small industrial facility in Titusville, DENEC Solutions is interested in expanding its operations. To accommodate anticipated future growth, they have put in an offer to purchase an approximately 3-acre southeastern portion of parcel 23-35-03-NN-C at the Spaceport Commerce Park, with the intention of building an approximately 15,000 SF manufacturing plant on the property.

Based on current trends in the construction industry, the construction budget of this project is estimated to be approximately \$3M. The company expects its average annual purchases to reach approximately \$3M from operations at the new facility and to bring around 4 new jobs to the region.

Brevard County staff have prepared this analysis to outline the project's potential economic and fiscal impacts throughout the county.

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¹ For more detailed information on RIMS II multipliers, please visit www.bea.gov/resources/methodologies.

² Sources: <http://denecsolutions.com/>, <https://tw.linkedin.com/company/denec-solutions>

Use of RIMS II Multipliers – Bureau of Economic Analysis

The analysis used in this report utilizes economic multipliers from the Bureau of Economic Analysis (BEA), a federal agency under the U.S. Department of Commerce that provides macroeconomic and industry statistics at the national, state, and municipal levels.

An economic “multiplier” is a numerical value, calculated to represent the degree to which an initial economic change creates other economic changes in a region. These multipliers are derived from three national input output (I-O) accounts known as the national make, use, and import tables, which are maintained by the U.S. Bureau of Economic Analysis. The data in these accounts primarily comes from the Economic Census and other annual surveys conducted by the U.S. Census Bureau³. The multipliers are adjusted to represent smaller geographic regions using location coefficients derived from regional data on industry presence. RIMS II provides two types of multipliers:

- (1) Final-Demand Multipliers
- (2) Direct-Effect Multipliers

Final-Demand Multipliers

Final-Demand Multipliers represent the degree to which a final demand change in economic activity impacts final demand changes or outputs throughout all industries and final users in the region. These are characterized as change “per output” ratios.

A “final demand change” is a change in the purchases of commodities or services by final users. “Final demand” or “final use” refers to purchases of goods that are not used as intermediate inputs in the production process, but those which are purchased for use in their final form. A “final demand industry” refers to the industry which will be initially affected by the change.

Final uses are grouped into four categories: (1) Purchases by consumers outside the region (exports), (2) Investments in buildings and capital equipment, (3) Purchases by government, and (4) Purchases by households.

Direct-Effect Multipliers

Direct-Effect Multipliers represent the degree to which the initial change in earnings or employment impacts the total change in earnings or employment, respectively, across all industries in the region. These are characterized as “jobs per jobs” or “earnings per earnings” ratios.

³ Source: [Concepts and Methods of the U.S. Input-Output Accounts](#), BEA, 2006

Both **Final Demand** and **Direct Effect** multipliers are further divided into “Type I” and “Type II”. An illustration of the impacts included in these multipliers is provided in **Figure 1**.

Type I

Type I multipliers account for the inter-industry (direct and indirect) impacts of a final-demand change. A “direct” impact is the value of inputs purchased in the first round of spending by the final demand industry. An “indirect” impact is the value of inputs purchased in subsequent rounds of spending by supporting industries.

Type II

Type II multipliers account for both the inter-industry impacts as well as the household spending (induced) impacts of a final-demand change. An “induced” impact is one that results from the spending created by increased household earnings. Type II multipliers are used when it is reasonably expected that most household earnings resulting from the economic change will be spent locally.

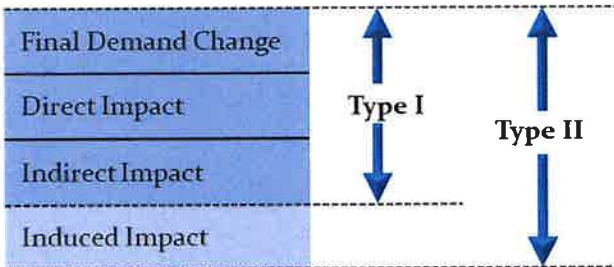


Figure 1: RIMS II Terminology – Table modified from BEA RIMS II User Guide.

The analysis that follows uses both final demand and direct effect multipliers from RIMS II. The multipliers used in this report are based on 2017 national benchmark input-output data, and 2022 regional data specific to the Brevard County MSA. They are also specific to the final demand industries identified for the construction and operation phases proposed for this project. Therefore, the data in this report is specific to the local market, and the local industries affected by this project.

Impacts calculated from using the above multipliers are expressed in terms of gross output, value-added (GDP), earnings, and employment. Please visit the BEA website, www.bea.gov, for more information on the calculation and derivation of multipliers, and the assumptions and data used in the RIMS II input-output model.

DENEC Solutions: Input Variables

The economic impact analysis that follows is divided into two phases. The first analysis estimates economic impacts during the construction phase of the project, and the second estimates impacts once the construction phase is over, and operations commence at the new facility.

The inputs described below were applied to the RIMS II multipliers for Brevard County and used to forecast the impacts for both phases of the project:

Construction Phase:

- Final Demand Industry: Construction (Industry Aggregate #7)
- Final Demand Change: \$3,000,000

Operation Phase⁴:

- Estimated Start of Operations: Q1 2028
- Final Demand Industry: 33329A Other Industrial Machinery Manufacturing
- Final Demand Change: \$1,400,000
 - 2025 Annual Sales: \$1,600,000
 - 2028 Expected Annual Sales: \$3,000,000
 - Expected Increase in Annual Sales: \$1,400,000
- Direct Effect (non-construction) Employment Change: 4
 - 2025: 11 jobs
 - 2028: 15 jobs
 - Expected Increase in Number of Jobs: 4
- Direct Effect Earnings Change: \$301,600
 - 3 Technician salary: \$62,400 x 3 = \$187,200
 - 1 Engineer salary: \$114,400 x 1 = \$114,400
 - Total Earnings: \$301,600

⁴ Average annual sales as well as revenue and employment projection ranges were provided by company.

DENEC Solutions: Forecasted Construction Impacts

RIMS II Multipliers: Type I & Type II for Construction Industry

Table 1 provides a list of the Type I and Type II multipliers that were retrieved from the RIMS II data set. These multipliers are specific to the construction industry in Brevard County and were used to estimate the impacts from the purchases made during the construction phase of this project.

Industry Aggregation: #7 Construction		
	Type I Multipliers	Type II Multipliers
Final Demand Output	1.2869	1.5848
Final Demand Earnings	0.4278	0.5194
Final Demand Employment	7.5835	9.7927
Final Demand Value-Added	0.6884	0.8700

Table 1: Type I and Type II Multipliers for Construction Industry, Brevard County, 2017 US Benchmark I-O Data, 2022 Regional Data

Type II multipliers were included in this analysis because it was assumed the construction phase of the project would utilize existing local workforce expected to spend most of their earnings within the county, which would in turn stimulate household spending and create an induced impact.

Results

The total expected final demand change, or \$3M investment made primarily within the construction industry, was applied to the final demand multipliers referenced above. **Table 2** illustrates the results from the RIMS II model, and estimates the direct, indirect, and induced impacts from the initial \$3M input of purchases that would be felt throughout the local economy.

Construction Impacts	Final Demand Change	Inter-Industry Impact	Induced Impact	Total Impact
Gross Output	\$3,000,000	\$3,860,700	\$893,700	\$4,754,400
Value Added		\$2,065,200	\$544,800	\$2,610,000
Earnings		\$1,283,400	\$274,800	\$1,558,200
Employment		23	7	29

Table 2: Final Demand Impacts of Construction Phase of new facility.

Gross Output

The “gross output” is the sum of all intermediate and final purchases of commodities throughout all industries in the region. This is a duplicative number, as inputs may be purchased multiple times by industries in the production process.

Based on the RIMS II input output and regional data set for the construction industry, in Brevard County, the initial capital investment of \$3M during the construction phase of the project would generate around **\$3.9M** of inter-industry purchases, the majority of which would be made within the construction industry during the first round of spending (direct impacts). This number also includes the purchases that would be made throughout the supporting industries in the region, and subsequent rounds of spending (indirect impacts). Since the construction workforce is expected to be local, the model estimates an additional **\$894K** of household spending to be generated in the local economy (induced impacts), suggesting that the construction phase of the project would stimulate a gross output totaling around **\$4.8M** throughout the region.

Value-Added

The “Value-Added” measure is also called the Gross Domestic Product (GDP). It refers to the value that is added to a commodity on top of the combined value of its composition of raw materials, and includes purchases made by industries in excess of purchases that went into production, like employee salaries, taxes on production (less subsidies), and gross surplus (profit). “Value-Added” is also calculated as the sum of “Final Use” purchases made by final users in the economy.

		Industry Purchases	Final Purchases			
			Personal Consumption	Private Fixed Investment	Net Exports	Government Consumption
Commodities		Intermediate Inputs	Final Uses			
Value-Added	Salary	Income Generated	GDP			
	Taxes					
	Gross Surplus					
		Total Industry Output				
			Total Commodity Output			

Figure 2: National Use Table

Figure 2 represents the flow of purchases throughout the economy, where “Total Industry Output”, or the total purchases made by industries, equals “Total Commodity Output”, or the total purchases of commodities. “Industry Purchases” include all the purchases that are made by industries for use in the production process, (called “Intermediate Inputs”), as well as purchases that generate income.

Based on the final demand RIMS II multipliers specific to Brevard County and the construction industry aggregate, the value-added portion of the gross output generated by the construction phase of this project would result in **\$2.1M** of direct and indirect impacts to the local economy, and an additional **\$545K** of induced impacts. The model estimates that the construction phase of this project would yield an economic stimulus that would increase the region’s GDP by **\$2.6M**.

Earnings

Earnings are part of the value-added metric. The RIMS II earnings multipliers measure the total change in local household earnings per dollar of final-demand change.

Based on input data entered into the RIMS II model, an initial final demand change of \$3M in the local construction industry would result in a direct and indirect earnings impact of **\$1.3M**, felt throughout the local construction industry, and other supporting industries in the region. The induced earnings resulting from an increase in household spending would be an additional **\$275K**. The total impact to earnings from this project would be around **\$1.6M**.

Employment

The final measure that the RIMS II model provides based on final demand change is impacts to jobs in the region. **The unit for the multiplier is jobs per \$1M of final demand change.**

Based on the findings of this analysis, the construction phase of this project would yield **23 direct and indirect jobs**, and an additional **7 induced jobs**, for a total of **29 jobs** created as a result of the construction phase of this project. These jobs would represent a mixture of full time and part time employment.

Denec Solutions: Forecasted Operations Impacts

RIMS II Multipliers: Type I & Type II for Industrial Machinery

Table 3 lists the Type I and Type II multipliers that were retrieved from the RIMS II data set for Industry: 33329A Other Industrial Machinery Manufacturing. These multipliers are specific to Brevard County and were used to estimate the economic impact of the project's first year of operation at full capacity.

Industry: 33329A Other Industrial Machinery Manufacturing		
	Type I Multipliers	Type II Multipliers
Final Demand Output	1.2766	1.4672
Final Demand Value-Added	0.5296	0.6459
Direct Effect Earnings	1.4001	1.7009
Direct Effect Employment	1.5077	2.0908

Table 3: Type I and Type II Multipliers for Brevard County, 2017 US Benchmark I-O Data, 2022 Regional Data

Results

The total expected final demand change of \$1.4M in annual purchases was applied to the final demand multipliers for the primary industry within which the company has operations. Since an estimate of employment and income was provided, direct effect multipliers were used to project earnings and employment impacts.

Table 4 provides the results from the RIMS II model, estimating the inter-industry and induced impacts from the operations at the new facility.

Operational Impacts	Final Demand/ Direct Effect Change	Inter- Industry Impact	Induced Impact	Total Impact
Gross Output	\$1,400,000	\$1,787,240	\$266,840	\$2,054,080
Value Added		\$741,440	\$162,820	\$904,260
Earnings	\$301,600	\$422,270	\$90,721	\$512,991
Employment	4	6	2	8

Table 4: Final Demand and Direct Effect Impacts of New Operations in Brevard County.

Gross Output

Based on the RIMS II input-output data set for the scientific research and development services industry in Brevard County, DENEK LLC's annual increase in sales of \$1.4M would stimulate the gross output of all industries in the local market by **\$2.1M**. On top of the **\$1.8M** of inter-industry impacts, there would be an additional **\$267K** of induced impacts throughout all the industries in the local economy.

Value-Added

Based on the final demand multipliers used in the RIMS II analysis, the value-added portion of the gross output created by this project would result in **\$741K** of direct and indirect impacts to the local economy, and an additional **\$163K** of induced impacts triggered by household spending increases. DENEK LLC's operations would yield an economic stimulus that would increase the region's GDP by approximately **\$904K**.

Earnings

The average salary for a technician at DENEK Solutions is \$30/hour, and an engineer is \$55/hour.

The company expects to hire around 3 technicians and 1 engineer after the new facility is built out. Based on average wages of each new employee, the total earnings for new employees at DENEK Solutions would be \$301,600 in Brevard County.

Using the direct effect earnings multiplier specific to the Other Industrial Machinery Manufacturing industry for Brevard County in RIMS II, the inter-industry impact was estimated at approximately **\$422K**. Earnings impacts related to increases in household spending would add an additional **\$91K**. Total earnings impacts felt throughout the county would be around **\$513K**.

Employment

The RIMS II model estimated that a change of 4 additional jobs in the industry would yield **6 direct and indirect jobs**, and an additional **2 induced jobs**, for a total of **8 jobs** created after operations commence at the new facility. These jobs would represent a mixture of full-time and part-time employment.

DENEC Solutions: Fiscal Impact Analysis

Key Project Components⁵

Current Taxable Value of Building

Undeveloped parcel – Spaceport Commerce Park --

Anticipated Capital Investment

Land (\$195K)
Construction (\$2.81M) \$3,000,000

Anticipated Market Value

\$2,400,000

Anticipated Capital Investment (Equipment)

\$0

The above project components were used to estimate the potential fiscal impacts to the local public sector.

Taxes Anticipated from Project Implementation (Approx) – ONE TIME

Sales Tax		\$78,540
Est Construction Budget	\$2,805,000	
Est Materials Cost (40%)	\$1,122,000	
7% Sales Tax on Materials	\$78,540	
Impact Fees		\$66,178
City of Titusville	\$40,180	
Brevard County	\$25,998	
Building Permit		\$84,150
3% Construction Budget	\$84,150	

Taxes Anticipated from Project Implementation (Approx) -ANNUAL

Real Property Tax		\$40,858
Anticipated Market Value	\$2,400,000	
Rate: 17.024/\$1,000	\$40,858	
Tangible Personal Property Tax		\$0
Equipment	\$0	
Rate: 17.024/\$1,000	\$0	

Initial Annual Fiscal Stimulus **\$269,725**

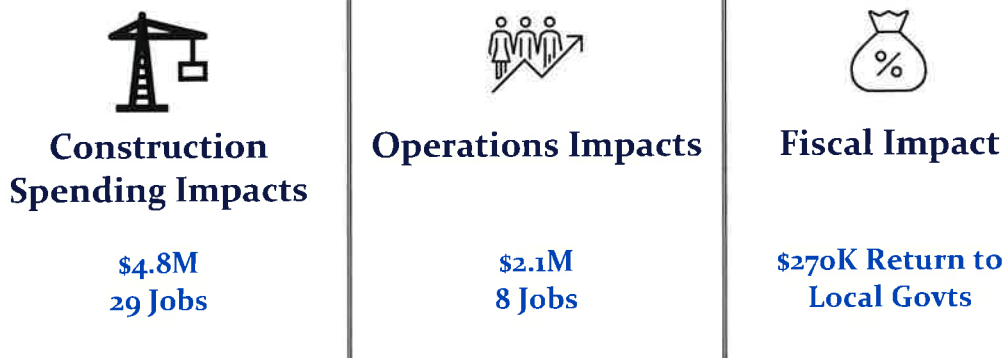
Table 5: Estimated Fiscal Impacts. All figures are estimates and based on available data.

INITIAL ANNUAL FISCAL STIMULUS: \$269,725

⁵ Land value is based on offer letter, not final deed. Taxes paid for existing equipment has not been included in the impact analysis.

DENEC Solutions: Impact Summary

This report provides an estimate of the potential impacts from the construction of a new 15,000 SF manufacturing facility at the Spaceport Commerce Park, as well as the expansion of DENEC LLC's operations and workforce in Brevard County, in which the company would hire 4 new employees, generating a total earnings impact of around \$301,600.



Based on the analysis conducted using RIMS II multipliers, this project would create a combined total economic impact of around **\$7.1M**, of which \$4.8M would be generated from the construction phase, and \$2.1M would be realized through the new output produced by the company.

The project would also be expected to result in the creation of around **37 direct, indirect, and induced jobs** throughout the local economy. Purchases made for this project would generate a one-time fiscal stimulus to city, county and state governments through sales taxes and the collection of impact and permitting fees, of approximately **\$270K**.

Data used in this analysis, including construction budgets, property valuation, projected sales and future employment numbers are estimates and subject to change. The BEA does not endorse estimates and/or conclusions about the economic impact of a proposed change on an area. The calculations in this report were performed by Brevard County Planning and Development staff. Conclusions are reliable, not guaranteed.