

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

February 10, 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, Brenda Fettrow, George Mikitarian, Donn Mount, and Stan Retz

Absent: Paula Cardwell, Robert Jordan, Micah Loyd, and Louis Sanders

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

Pledge of Allegiance: George Mikitarian, Chairman, led the assembly in the Pledge of Allegiance.

I. Approval of Agenda:

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

II. Report on Expenditures to Budget:

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated the budget is tracking well commitment of \$550,000 has been delivered to Embraer.

Motion by Brenda Fettrow, seconded by Donn Mount, to approve the Report of 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 met with Project Grand, which is seeking a site for the establishment of an eastern U.S. office headquarters; they are close to putting a contract in on a building; a package for assistance needs putting together; and also they discussed the availability of building site along U.S. 1. He mentioned joining business leaders for a forum held at Florida Institute of Technology, hosted by *Florida TODAY*, examining the latest business developments in the high-tech corridor in May; he helped lead a working-lunch on the future direction of Spacecoast Economic Development Commission (SEDC); and the leadership maintained the group's organizational standing with the Internal Revenue Service (IRS) while weighing its options. He went on to say he attended a workshop conducted by Brevard County Purchasing on Policy and procedures related to invoice processing and using services of companies with continuing services contracted with the County; and when working on site development of pad-ready projects later in the year at Spaceport Commerce Park (SCP). He advised he discussed with Florida Department of Transportation (FDOT) an invitation to join a new stakeholder group called Florida Freight Advisory Committee, that seeks input from

economic development practitioners, local planners, and transportation industry representatives on how best to integrate the State's multimodal freight network; he started working on marketing concept and materials for use at the MRO America International trade show for the aviation industry's maintenance, repair, and overhaul sectors; and he participated by the invitation of the Economic Development Commission of Florida's Space Coast (EDC). He stated he worked on the next issue of the North Brevard Business Review; and he participated in a webinar hosted by the National Association of Business Economics (NABE) on the outlook for manufacturing in the U.S. over the next 18 months. He concluded by saying he participated in a roundtable discussion at Brevard Public Schools on the programs and initiatives being offer by the Schools Foundation Board, to work with businesses and benefactors that provides micro-dollar teaching grants for programs that fill education gaps for students at Brevard County schools.

GTR Executive Director Report

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated Cathy Musselman, Greater Titusville Renaissance (GTR) Executive Director, is not present today, but she was actively working the Art & Algorithms festival this past weekend; and COlaunch has eight members, with two offices, two basic, three mail drops, one Institutional, and a few walk-ins using the facilities for a few hours each time.

V. Business Items

Appointment of Ex-Officio to EDC Board

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated the Economic Development Commission of Florida's Space Coast, (EDC) requested having an appointee to represent the Zone board as Ex-Officio for representation; and the name for the Zone board to consider is Robin Fisher.

Motion by Brenda Fettrow, seconded by Stan Retz, to appoint Robin Fisher as Ex-Officio to the EDC of Florida's Space Coast Board. Motion carried and ordered unanimously.

Incentive Request – Project Slimer

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated Project Slimer has applied for an incentive Zone grant of up to \$30,000; it would be issued as a reimbursement grant for the go-ahead of some actives to get to the Certificate of Occupancy or the Certificate of Completion; construction costs are coming in a little higher than was projected; and they started looking at a building located at 8855 Grissom Parkway, Titusville, because it makes more sense for them to acquire an existing building, and doing its improvements there. He went on to say Project Slimer had inquired if it would be possible to submit an application for an assistance provision offered to induce them; he stated the existing building is listed for \$2.95 million and there are some improvements that would have to be made; and scenario two of the Fiscal Impact Analysis (FIA) is much higher than scenario one amount of \$1.7 million FIA. He stated by inducing them to take the existing site, it has opportunity seen by the company to utilize the second floor for some smaller businesses needing office lease space, and for giving the company an opportunity to expand up if needed; he asked the Zone board if it would consider making a little bit larger incentive of up to \$150,000, as a reimbursement grant after acquiring the building, and being in it for a period of time, or scenario one for them to purchase the property at \$25,000 per acre,

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and giving a reimbursement grant of up to \$30,000 to cover the site preparations costs incurred.

Brenda Fettrow, Vice Chair, inquired what the job expectancy is. Mr. Post responded the Economic Impact Analysis (EIS) has 25 total jobs over the next two years. Ms. Fettrow inquired if the Zone board was to offer the \$150,000 incentive would it be payable in its entirety in the next Fiscal Year or payable over a couple Fiscal Years. Mr. Post replied there is capability of paying it in this current Fiscal Year; and he stated however, if the Zone board required them to be in possession of the building and in operation for a period of time, it could be carried into another Fiscal Year.

Motion by Brenda Fettrow, seconded by Dan Aton, to approve offering an incentive of scenario one up to \$30,000; approved offering an incentive of scenario two up to \$150,000 with the potential deliverables being both with jobs and occupancy, and the draft deal coming back to the Zone board prior to it being official approval; and authorized there be no tax abatement. Motion carried and ordered unanimously.

Agreement – Titus Landing

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated in November 2016 the Zone board approved a proposed second amendment to the development agreement for Titus Landing between the City of Titusville and the developer of what constitutes the phase one site elements; it then went to the Board of County Commissioners (BOCC) in December for its approval; prior to the vote an issue had come up that he needed to clarify, and that was as the developer gets closer to qualifying for the provided incentive the issue of what is Certificate of Occupancy (CO) being sought; it was since learned that a document from the City was needed called Certificate of Completion (COC); the way he understands it is a COC says a building has been finished, in terms of being buttoned up against the element with roof system, walls, and doors; and CO is granted when a user of the space is ready to open to the public, but the developer had been working under the understanding that it was a COC that they really had to get to, so before the BOCC vote, Scott Knox, County Attorney, made a comment to the BOCC to be aware that what may be in the second amendment is as a trigger a COC, as well as a CO that getting to that point first, they could qualify, and the BOCC approved it. He went on to say today concurrence is being asked for of what the BOCC approved in December 2015 that if they get to the point where the buildings are already complete, getting the COC, and waiting for the retailers to start getting ready to open to the public that that would still qualify as one of the triggers for the grant proceeds; he reminded the Zone board that there are a couple of more triggers that are required in the incentive agreement, such as minimal capital investment; but the COC is the thing that he thinks could allow them to go forward with the Project.

George Mikitarian, Chairman, inquired if the County and the City's definition is the same from the County's perspective versus the City's perspective because it was a BOCC discussion. Scott Knox, County Attorney, responded the County's understanding was what Mr. Post presented to the Zone board for COC, as well as the City.

Scott Larese, City of Titusville City Manager, advised there are three anchor stores in the agreement to be for CO.

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Attorney Knox remarked it will be taken care of further in the discussion.

Richard Broome, City of Titusville City Attorney, stated the definition of complete versus occupancy is a Florida Building Code; within there, there is some discrepancy of if the definition met that; he thinks the CO is complete and ready for its intended use; whereas, the COC is the shell is complete, and does not allow occupancy at that time; a tenant would have to come in and submit plans to finish the build-out; and at that time they would receive the CO.

Attorney Knox agreed with City Attorney Broome.

Walt Johnson, City of Titusville Mayor, inquired when there is COC is the tenant already signed up. Cliff Aiken, EXXCEL Project Management Chief Investment Officer, responded not necessarily; he stated the intent is not being changed; the intent all along was there would be, under Florida Building Code there is no such thing as CO for a shell building, it is called COC; some spaces are leased and some are not; and the day there is COC means the building is ready to be leased to a tenants to do her or his own improvements. He went on to say those tenants have a few months to get stuff done, but his is done in terms of a shell building; and he is just clarifying the verbiage for consistency.

Donn Mount stated in the original scheme of things, the intent of the Zone board was to have those places occupied, it now has been changed to a bunch of smaller spaces, and if there is COC floors may not be poured, plumbing might not be in, and a lot of infrastructure that could be a completed shell versus someone being in there; the original intent was to have that square footage of building occupied; but he is not adverse to what is being talked about now.

Mr. Aiken stated what was done in November is the original phase one was smaller than what the current phase one is now; and is only for a verbiage change for clarification purposes.

Mr. Mount inquired what percent of the buildings have a lease now. Mr. Aiken responded the phase one is 90 percent leased; the second phase is about 85 to 90 percent leased with an additional 130,000 feet; there will be a third phase; and when the entire Project completes it will have 351,000 feet. Mr. Mount inquired what is the total number of companies he has leases with as of today. Mr. Aiken responded about 15 to 18.

Dan Aton stated even with the verbiage changes, he understands the capital investment requirement is met with the verbiage of COC; and the tenant improvements were not counted in the capital investment not being performed on all of the spaces.

Motion by Brenda Fettrow, seconded by Donn Mount, to approve conforming a grant agreement and reimbursement agreement to the COC that the BOCC approved. Motion carried and ordered unanimously.

Old Business

Troy Post, CEcD, CBE, NBEDZ Executive Director, advised there are a couple of proposed resolutions that have come before the Board of County Commissioners (BOCC)

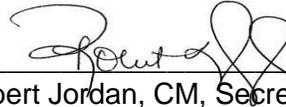
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regarding Community Redevelopment Agency's (CRAs); and there will be a CRA Workshop scheduled for April 13.

Commissioner Pritchett advised that she has not heard the Zone being officially put into the cuts from Commissioner Smith; she does not know where it is going; but she is hopeful for good information to come out of it.

Scott Knox, County Attorney, stated the original proposals do not deal with unincorporated areas; and it is strictly all in cities.

Upon consensus, the meeting adjourned at 9:30 a.m.



Robert Jordan, CM, Secretary/Treasurer

Approved on June 9, 2017.