



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

New Business - Miscellaneous

J.6.

10/6/2020

Subject:

Request to Blue Origin to Refund \$8 Million Cash Incentive

Fiscal Impact:

Potential Refund of \$8 million

Dept/Office:

District 3

Requested Action:

Board ratification of attached letter

Summary Explanation and Background:

In 2015, the Brevard County Board of County Commissioners approved a cash incentive of \$8 million to Blue Origin in return for an agreement to build a rocket manufacturing facility within the County. It has now become apparent that Blue Origin intends to build its manufacturing facility on wetlands. The attached letter requests the return of the handout, with the intent that these funds will be used for local environmental preservation efforts.

Clerk to the Board Instructions:

Once signed, send to Jeff Bezos as addressed in letter.



October 7, 2020

M E M O R A N D U M

TO: Commissioner John Tobia, District 3

RE: Item J.6., Request to Blue Origin to Refund \$8 Million Cash Incentive

The Board of County Commissioners, in regular session on October 6, 2020, denied the request to send letter to Blue Origin requesting to refund the \$8 million cash incentive to Brevard County; and approved the Chair to compose a Letter to Blue Origin requesting to look at design improvements to mitigate impact of wetlands upon approval of the County Manager, or his designee.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Kimberly Powell
Kimberly Powell, Clerk to the Board

/cld

cc: County Manager
Each Commissioner



BOARD OF COUNTY COMMISSIONERS

DENIED

Brevard County Board of County Commissioners

2725 Judge Fran Jamieson Way

Viera, Florida 32940

October 6, 2020

Jeff Bezos
Founder, Blue Origin, LLC
8082 Space Commerce Way
Merritt Island, FL 32953

Dear Mr. Bezos,

First, we would like to thank you for choosing Brevard County to house the manufacturing facility for your company's next generation of rockets. As I am sure you realize, residents of Brevard County are unmatched in their skill and dedication in the field of space exploration, and rocket science in particular. There is no place on Earth that has done more in furtherance of this field of technology, and it is indeed exciting that we will retain this leadership for decades to come.

That said, as you are aware, your new rocket manufacturing facility is being built on the backs of these very residents through an incentive agreement which awards your company \$8 million in County tax revenue. It is now clear that you will be using these funds to build this facility on wetlands. The citizens of Brevard County have spent millions of dollars to protect wetlands. Additionally, the County has often denied local developers the opportunity to develop on wetlands, leading to reduced individual wealth as well as a reduction in ad valorem revenue.

As such, we find it extremely disconcerting that the County's incentive is essentially being used to destroy wetlands within Brevard County. We ask that you consider returning the \$8 million cash incentive to Brevard County, perhaps in furtherance of local preservation efforts. While this \$8 million represents about 0.005% of your personal wealth, it has the potential to have a large impact on our community at a difficult time.

It is our understanding that you care deeply about the environment. Your leadership as CEO of Amazon in reportedly ordering 100,000 electric vehicles from Rivian Automotive, a company founded in Brevard County, is just one example of this. Therefore, investing in local environmental efforts would seem to be consistent with your goals.

JL
2/2

Should you be interested in exploring this option, please contact our County Manager, Frank Abbate, by phone at (321)633-2001 or by email at Frank.Abbate@BrevardFL.Gov.

Sincerely,

Lber

Bryan Lober, Chair

As ratified by the Brevard County Board of County Commissioners on October 6, 2020

DENIED

October 1, 2020

District 2 Commissioner Bryan Lober
Chair Brevard County Commission
Merritt Island Service Complex
2575 North Courtenay Parkway Suite 200
Merritt Island, Florida 32953

RE: Blue Origin Launch and Manufacturing Complex Project Update

Dear Commissioner Lober,

I am pleased to provide an update on our 21st Century rocket manufacturing, test, and launch complex in recognition of the 5-year anniversary of this massive project choosing Brevard County as our launching point. On Sept. 15, 2015, Blue Origin publicly selected Brevard County as the home of our New Glenn rocket manufacturing and launch operations. This was a significant milestone not only for our launch program, but also the Space Coast—we were the first company committed to building, testing, launching and refurbishing our vehicles locally.

Today Blue Origin's Merritt Island campus boasts over 1 million sq. ft. of advanced aerospace production and test capability and we are nearing completion of a world-class launch complex at Cape Canaveral Air Force Station. Each accomplishment on the path to launch is a testament to our 490 local employees, as well as our local, state and federal partners.

Together, we have strengthened our local economy through significant private capital investment, the creation of new high-tech, high-wage jobs, and the development of common-use infrastructure that serves as the backbone for a thriving space enterprise here on the Space Coast. In addition, Blue Origin is proud to call Brevard County home. We have invested an unprecedented \$1B in private capital, contracting with more than 70 local and state suppliers. We have also employed more than 800 local construction workers for the past three years as we have built out the project. The growth in direct jobs and capital investment has actually far exceeded the initial plans as shown in the below comparison of the initial goals for the project with our current status as of Sept. 30, 2020.

2016 NBEDZ Grant Agreement Terms	Blue Origin's Execution as of Sept. 30, 2020
250,000 square foot facility	Over 1 million square foot of manufacturing, test, and launch facilities
\$160M capital investment	Over \$1B invested to date
145 jobs by 2022	490 full-time Blue employees
\$89K Average Wage	\$114K Average Wage

Table 1: Blue Origin Exceeds All 2016 Commitments to Brevard County

As the leading developer of new spaceport infrastructure on the Canaveral Spaceport, we stand firmly committed to environmental best practices in coordination with senior scientists and regulatory agencies. For example, Blue Origin has invested more than \$6M to ensure any wetland impacts are offset by newly created wetlands of like or better quality.

Our exceptional private capital investment is more than a number for Brevard County. It represents business resiliency and diversity. Blue Origin has demonstrated our steady, stable commitment to commercial investment toward our bold mission of "Millions of people living and working in space to benefit the Earth." Our financial assurance makes Brevard less vulnerable to the fluctuations of federal agencies and budgets and instills confidence in the current and future supply chain.

It is only appropriate I conclude our Project update by discussing our most valued asset-the Blue Origin team. What started as a handful of individuals working at a folding table in a small office in Cape Canaveral has since grown to hundreds of talented men and women who are building our space future and call Brevard County home. We continue to hire despite the unforeseen challenges of a pandemic, and have added more than 100 additional high-tech, high wage jobs to date this year during a period where most industries have seen significant downturn.

While we recruit the best and brightest from across the country, we believe local workforce development is paramount to expanding Florida's aerospace opportunities beyond launch. We applaud the local initiatives underway to promote a robust talent pipeline with emphasis on manufacturing and have developed strong relationships with Florida Tech, Eastern Florida State College and our local high schools. As we continue to grow, we look forward to working in partnership with County agencies to further strengthen opportunities for aerospace employment.

In closing, I want to extend our sincere gratitude to the Brevard County Commission for the opportunity to provide an update on our Project. I also want to commend the Commission's initial commitment to our mission five years ago and your on-going support. Blue Origin has significantly outperformed all economic impact expectations adding nearly 500 high paying jobs, investing over \$1B in the area via capital improvements, and engaging a significant set of local suppliers and support services. We will continue to employ environmental best practices in full coordination with regulatory agencies.

Blue Origin is proud to be part of the Space Coast community and we look forward to continued support from Brevard County and our local partners. I would ask that you please share this update with your fellow commissioners.

Very Respectfully,



Scott Henderson
Vice President, Test and Flight Operations

Blue Origin Project Update

Scott Henderson <SHenderson@blueorigin.com>

Fri 10/2/2020 12:37 PM

To: Lober, Bryan <Bryan.Lober@brevardfl.gov>

 1 attachments (76 KB)

Blue Origin Project Update_Brevard County Commission_Oct 2020FINAL.pdf;

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Dear Commissioner Lober,

In recognition of the 5-year anniversary of Blue Origin choosing Brevard as our launching point, I am pleased to provide an update on our 21st Century rocket manufacturing, test, and launch complex.

On Sept. 15, 2015, Blue Origin publicly selected Brevard County as the home of our New Glenn rocket manufacturing and launch operations. This was a significant milestone not only for our launch program, but also the Space Coast—we were the first company committed to building, testing, launching and refurbishing our vehicles locally.

I want to extend our sincere gratitude to the Brevard County Commission for your initial commitment to our mission five years ago, and your on-going support. Blue Origin has significantly outperformed all economic impact expectations adding nearly 500 high paying jobs, investing over \$1B in the area via capital improvements, and engaging a significant set of local suppliers and support services.

We are proud to be part of the Space Coast Community and we look forward to continued support from Brevard County and our local partners.

Please find our Blue Origin project update attached.

Very Sincerely,

Scott

Scott Henderson
Vice President, Test & Flight Operations and Florida Site Director
8082 Space Commerce Way, Merritt Island, FL 32953
253-437-2320 (Office)
214-668-8278 (Mobile)