



# Agenda Report

2725 Judge Fran Jamieson  
Way  
Viera, FL 32940

## New Business - County Manager

---

I.3.

9/12/2023

---

### **Subject:**

Approval of Resolution for an Economic Development Inducement for Project Topaz in Titusville

### **Fiscal Impact:**

Grant proceeds would come from tax increment funds allocated to the North Brevard Economic Development Zone

### **Dept/Office:**

County Manager's Office

### **Requested Action:**

The North Brevard Economic Development Zone (NBEDZ) formally requests that the Board of County Commissioners (BOCC) approve a grant award Resolution in an amount of up to \$1,260,000.00, as an economic development inducement for Project "Topaz," and authorize the BOCC chair to execute all documents in connection thereof.

### **Summary Explanation and Background:**

Project "Topaz," a qualified targeted industry sector business under the NBEDZ's Economic Development Plan (approved by the BOCC in Resolution No. 12-113), involves a firm with specialized manufacturing capabilities that anticipates the servicing of a military contract with the U.S. Department of Defense. This contract would extend over multiple decades. The company has formally requested confidentiality of certain materials and records, per its rights under Chapter 288.075 of the Florida Statutes; as a result, the project is being referred to only as "Topaz," until the confidentiality provisions of those statutes no longer apply, or until the company desires to make public comment.

To fulfill this military contract, the company is seeking an industrial site for the placement of a production facility. It is considering the retrofitting of existing industrial buildings in at least two states (Alabama and Colorado), or the construction of a new 200,000 sq. ft. manufacturing facility in Titusville.

"Topaz" estimates that the project would result in the creation of up to 300 new jobs by 2033, with an average annual wage of \$89,466. In addition to those company employment positions, the U.S. military branch associated with this contract would station as many as 100 personnel (civilian and military positions) at the project site. Approximately 80% of the military contingent would be permanently assigned to the facility.

To induce the company to choose the Titusville site, the NBEDZ district board on May 12, 2023, approved an economic development inducement under its "Job Opportunity Program," for companies locating in the North Brevard area and creating high-wage employment. Grant funding, in an amount not to exceed \$1,260,000, would be tied to job creation performance and paid only as jobs were created. Jobs created would be

required to remain in place for at least three years thereafter. Under a signed Non-Disclosure Agreement, commissioners would be briefed on project details.

**Clerk to the Board Instructions:**

Please provide a signed copy of the resolution to the County Attorney's Office and the North Brevard Economic Development Zone.



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

September 13, 2023

**MEMORANDUM**

**TO:** Frank Abbate, County Manager

**RE:** Item I.3., Approval of Resolution for an Economic Development Inducement for Project Topaz in Titusville

The Board of County Commissioners, in regular session on September 12, 2023, adopted Resolution No. 23-098, approving a grant award in an amount up to \$1,260,000.00, as an economic development inducement for Project Topaz; and authorized the Chair to execute all documents in connection thereof. Enclosed is a fully-executed Resolution.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS  
RACHEL M. SADOFF, CLERK

*Kimberly Powell*  
Kimberly Powell, Clerk to the Board

Encl. (1)

cc: North Brevard Economic Development Zone  
County Attorney  
Finance  
Budget

RESOLUTION NO. 2023 -098

RESOLUTION APPROVING AN ECONOMIC DEVELOPMENT INCENTIVE FROM THE NORTH  
BREVARD ECONOMIC DEVELOPMENT ZONE (NBEDZ) FOR PROJECT "TOPAZ"

WHEREAS, the Brevard County Board of Commissioners (hereinafter referred to as the "Board") created the North Brevard Economic Development Zone (NBEDZ) Dependent Special District under the powers vested in the Board by Chapter 125, Florida Statutes, Chapter 189, Florida Statutes and section 200.065(1), Florida Statutes; and

WHEREAS, the Board approved Resolution No. 2012-113, adopting the NBEDZ's written Economic Development Plan for the dependent special district, as approved by the NBEDZ board of directors; and

WHEREAS, the NBEDZ board of directors, at its meeting held on May 12, 2023, and in accordance with its Economic Development Plan, approved the provision of an incentive to induce an economic development project known as "Topaz," to choose a site location in Titusville and within the geography of the NBEDZ, for the establishment of a manufacturing facility that would employ up to 300 persons, earning an average annual wage of \$89,466; and

WHEREAS, the NBEDZ believes that inducing this project, with its stated goal of creating up to 300 new, permanent jobs would provide a significant economic impact to the greater Titusville area.

NOW, THEREFORE BE IT RESOLVED, THAT THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA does hereby approve the NBEDZ's incentive package for Project "Topaz," it being understood that said NBEDZ grant assistance will not exceed \$1,260,000.

DONE, ORDERED, and ADOPTED, in regular session, this 12th day of September, 2023.

ATTEST:

  
Rachel M. Sadoff, Clerk

BOARD OF COUNTY COMMISSIONERS  
OF BREVARD COUNTY, FLORIDA

  
Rita Pritchett, Chair

As approved by the Board on SEP 12 2023

Approved as to legal form and content:

\_\_\_\_\_  
County Attorney

**NORTH BREVARD DEVELOPMENT DISTRICT  
ECONOMIC INCENTIVE AGREEMENT  
"PROJECT TOPAZ"**

**Table of Contents**

1. RECITALS .....	3
2. DEFINITIONS .....	3
3. DISTRICT AND COMPANY OBLIGATIONS .....	4
4. DEFAULT .....	7
5. REMEDIES .....	7
6. TERM AND TERMINATION .....	8
7. ATTORNEY FEES AND EXPENSES .....	9
8. NOTICES .....	9
9. BINDING EFFECTS AND ASSIGNMENT .....	9
10. GOVERNING LAW, VENUE AND WAIVER OF REMOVAL TO FEDERAL COURT, SERVICE OF PROCESS, REMEDY FOR UNLAWFUL PAYMENTS .....	10
11. MODIFICATION .....	10
12. FURTHER ASSURANCES .....	10
13. RELATIONSHIP OF THE PARTIES .....	10
14. PROMOTION OF ECONOMIC INCENTIVES .....	10
15. PUBLIC RECORDS DISCLOSURES .....	11
16. COMPANY'S WARRANTIES/REPRESENTATIONS AND INDEMNIFICATION .....	12
17. SEVERABILITY .....	12
18. ENTIRE AGREEMENT, CONSTRUCTION, AND DUPLICATE AGREEMENTS .....	12
19. EMPLOYMENT VERIFICATION .....	12
20. SCRUTINIZED COMPANIES .....	13
21. COUNTERPARTS AND AUTHORITY .....	14

**NORTH BREVARD DEVELOPMENT DISTRICT  
ECONOMIC INCENTIVE AGREEMENT  
"PROJECT TOPAZ"**

**THIS ECONOMIC INCENTIVE GRANT AGREEMENT** (the "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2023, by and between the following parties: XXXXXXXXXXXXXXXXXXXX (hereinafter referred to as the COMPANY), the NORTH BREVARD DEVELOPMENT DISTRICT (hereinafter referred to as the "DISTRICT"), a dependent special district created by the Brevard County Board of County Commissioners, and BREVARD COUNTY (hereinafter referred to as the "COUNTY"), pursuant to Section 125.045, Florida Statutes and Brevard County Ordinance No. 2011-16 and Ordinance No. 2011-18.

**RECITALS**

**WHEREAS**, the Florida Legislature has enacted Section 125.045, Florida Statutes, which confers economic development powers to counties and authorizes the expenditure of public funds for economic development activities as a valid public purpose; and

**WHEREAS**, Section 125.045(3), Florida Statutes, specifically authorizes a county to make incentive payments in the form of grants to private enterprise for expanding existing businesses located within the county, or to attract new businesses to the county; and

**WHEREAS**, Ordinance No. 2011-16 and Ordinance No. 2011-18 authorize the DISTRICT to grant economic incentives to businesses and development projects in accordance with the DISTRICT's economic development plan, including annual economic development cash incentives; and

**WHEREAS**, the DISTRICT anticipates available budget reserves in future fiscal years for assisting economic development projects in the DISTRICT; and

**WHEREAS**, the DISTRICT has adopted a written Economic Development Plan, approved by the COUNTY per Resolution No. 2012-113, permitting the DISTRICT to offer a program to encourage the attraction of new businesses that would commit to the creation of a significant number of high-wage jobs within the geography of the DISTRICT; and

**WHEREAS**, the Economic Development Commission of Florida's Space Coast (EDC) has worked with the COMPANY and the DISTRICT to develop and consummate an economic development project heretofore known to the public as "Project Topaz;" and

**WHEREAS**, the COMPANY considered multiple sites for "Project Topaz" outside the State of Florida, but chose a site within the geography of the DISTRICT, in large part due to the offer of an economic incentive from the DISTRICT; and

**WHEREAS**, the COMPANY has filed an application with the DISTRICT for participation in the DISTRICT's "High-Wage Job Opportunity" program, as the source of a grant for up to \$1,260,000.00, the proceeds of which will be used by the COMPANY in support of the job creation outlined more specifically in Section 3 of this Agreement; and

**WHEREAS**, the DISTRICT approved an economic incentive for the COMPANY at a meeting of the DISTRICT's Board of Directors on May 12, 2023, based upon the forecast number of jobs to be created in the Titusville area by "Project Topaz;" and

**WHEREAS**, in accordance with the Ordinances, the COUNTY is required to approve any economic incentive grant in excess of \$500,000.00; and

**WHEREAS**, information delivered to the DISTRICT by the COMPANY and its affiliated companies or guarantors, if any, including without limitation, any information relating to the financial condition of the COMPANY, accurately represents the condition of the COMPANY; and

**WHEREAS**, the COMPANY warrants and represents that the information in the application and supplemental documentation requested by the DISTRICT in support of the grant request is true and correct; and

**WHEREAS**, the DISTRICT has established terms and conditions which, if complied with by the COMPANY, will allow the COMPANY to receive the benefits outlined in this Agreement; and

**WHEREAS**, the DISTRICT finds and declares that this Agreement serves a public purpose which includes advancement of economic development, job growth, and the future expansion of projects within the DISTRICT, as well as the COUNTY's tax base;

**NOW THEREFORE**, in consideration of the mutual promises and agreements contained herein, and other valuable and good consideration, the DISTRICT, the COUNTY, and the COMPANY agree as follows:

## **1. RECITALS**

The above recitals are true and correct and are incorporated and made part of this Agreement.

## **2. DEFINITIONS**

**2.1** "Economic Incentive Grant," "Economic Incentive," and "Award" shall mean the provision of grant funds more fully described in Section 3.2 of this Agreement.

**2.2** "Effective Date" is the date upon which the last Party executes this Agreement. The Agreement shall not be effective against any Party until said date.

**2.3** "Project" means the economic development project described in Section 3.1 of this Agreement.

**2.4** "Project Site" shall mean the property located at XXXXXXXXXXXXXXXXXXXX in Titusville, Florida.

**2.5** "Job" shall mean a full-time salaried employee or full-time equivalent (hereinafter referred to as "FTE") employee who works at least 35 paid hours per week, performing tasks directly related to the products or services of the Project. A Job may include positions obtained from wholly-owned subsidiaries of the COMPANY, an employment agency or employee leasing company, through a union agreement, or co-employment under a professional employer organization agreement that results directly from the Project located within the geography of the DISTRICT. In tabulating hours worked, any paid leave an employee takes during the pay period, such as vacation or sick leave, may be included.

**2.6** "Average Project Wage" shall mean the following forms of compensation for all Jobs: salaries; commissions; bonuses; advances given to an employee against future earnings; overtime wages; vacation pay; sick leave pay; dismissal pay; cash prizes and awards; supplemental payments to make up the difference between regular pay and jury-duty pay or workers' compensation benefits; and payments to employees on leave while serving in the military. Benefits may be included in the Average Project Wage calculation only if, as a company policy, the employee has the option of accepting the value of the benefits in the form of cash payments, and converts the benefit to cash within any reporting period. Whichever method the COMPANY uses to calculate Jobs – head count or FTE – also must be used in its Average Project Wage calculation. Each calculation of Average Project Wage by the COMPANY must be determined in a manner consistent with the following procedure: actual wages, salaries, and other payments (as listed above in this Section 2.6) for Jobs for each pay period are added, then divided by the number of Jobs. The Average Project Wage must be equal to or greater than \$89,466 in order for the COMPANY to be entitled to receive the economic incentives for Job creation provided herein.

### **3. DISTRICT AND COMPANY OBLIGATIONS**

#### **3.1 Project Description.**

The COMPANY agrees and commits to undertake the Project described in general terms below:

**3.1.1.** The COMPANY will build an approximately 200,000 sq. ft. production facility at the Project Site to accommodate a manufacturing operation in connection with a multi-decade military contract through the U.S. Department of Defense. The Project would result in the creation of up to three hundred (300) new, permanent jobs at the Project Site. In addition to those employment positions, the U.S. military branch



associated with this contract would station as many as 100 personnel (civilian and military positions) at the project site, however, those 100 personnel shall NOT be counted towards the job creation numbers committed to by the COMPANY for the purposes of receiving the economic incentive grant from the DISTRICT described in Section 3.2 of this Agreement.

**3.1.2.** COMPANY shall promptly notify the DISTRICT in writing if any material changes occur to any information provided by the COMPANY to the DISTRICT or COUNTY relating to this Agreement and the Project.

### **3.2 Economic Incentive.**

For the purpose of inducing the COMPANY to implement the Project at the Project Site, the DISTRICT agrees to provide an economic incentive grant to the COMPANY, the proceeds of which will be used by the COMPANY in support of the job creation activities at the Project Site. The DISTRICT's total grant will not exceed \$1,260,000.00.

**3.2.1.** The COMPANY agrees to create a minimum of thirty (30) new jobs and up to three hundred (300) Jobs in Titusville or within the geographic boundaries of the DISTRICT during the period of time beginning on the Effective Date of this Agreement, and ending December 31, 2033 or such earlier date by which COMPANY creates 300 Jobs, but no later than December 31, 2033 unless extended per Section 6.2 (the "Jobs Deadline"), with an Average Project Wage of at least \$89,466. The payout schedule for the economic incentive is set forth in the Jobs Table below. The identified incentive for the Jobs to be created appearing in the second column of each row applies only to the specific range of Jobs shown in the first column of that same row. No incentive will be paid for Jobs created after the Jobs Deadline.

**[This space intentionally left blank]**

### Project "Topaz" Jobs Table

Jobs to be Created	Grant Amount per Job Created	Potential Grant for Job Creation
Jobs 0 – 140	\$3,500 per job	\$490,000
Jobs 141 – 250	\$4,500 per job	\$495,000
Jobs 251 – 300	\$5,500 per job	\$275,000
<i>Total Grant Amount, if All Jobs Created</i>	N/A	\$1,260,000

**3.2.2.** On or before March 31 of each year, beginning in year 2028 and continuing through and including the March 31<sup>st</sup> immediately following termination of this Agreement, the COMPANY shall provide to the DISTRICT a report on the Jobs created at the Project Site, as of December 31 of the preceding year. Such report shall provide the (a) title or job description of each Job; (b) the original date of hire; (c) separation date, if applicable; (d) total compensation as defined in Section 2.6 above paid by the COMPANY to that employee during the preceding year; (e) the location of that Job (if a location outside the Project Site but within the geographic boundaries of the DISTRICT); and (f) whether the Job was a transfer into the Project Site. The report will form the basis for the DISTRICT's determination on whether the COMPANY has achieved the employment required for the disbursement of economic incentive funds.

**3.2.3.** The COMPANY further agrees to maintain in Titusville or within the geographic boundaries of the DISTRICT each Job for which an incentive is paid for a period of at least three (3) years following the Jobs Deadline.

**3.2.4.** The Project shall substantially conform in all material respects to the incentive application filed with the DISTRICT by the COMPANY.

### **3.3 Capital Investment**

The Parties acknowledge that the COMPANY's capital investment will vary, depending upon the actual number of Jobs created, although the COMPANY has estimated in the incentive application on file with the DISTRICT a planned, total capital investment of \$107 million at the Project Site.

### **3.4 Reporting Requirements**

**3.4.1.** The COMPANY agrees to keep detailed accounts and records demonstrating the creation of Jobs at the Project Site, and of the Average Annual Wages paid for said Jobs for each year throughout the term of this Agreement (hereinafter collectively referred to as "Jobs Reports") and to submit an annual Job Report to the DISTRICT no later than March 31 of each year following the preceding year covered by the applicable Job Report required under this Agreement.

**3.4.2.** Incentive payments shall be due upon verification of each Jobs Report received, subject to the satisfaction of the DISTRICT's Executive Director. The COMPANY may appeal a decision of the Executive Director by directly approaching the DISTRICT's board of directors at one of its regular meetings, which are open to the public. The DISTRICT has up to two (2) years from the date an incentive payment is due to make payment to the COMPANY.

### **3.5 County Approval**

In accordance with the requirements of Section 98-246(b)(4), Code of Ordinances of Brevard County, Florida, the COUNTY hereby approves the cash incentive grant to the COMPANY under the terms and conditions set forth in this economic incentive Agreement and in substantial conformance with the application filed by the COMPANY with the DISTRICT.

## **4. DEFAULT**

**4.1** Either Party is in default of this Agreement *if* the Party materially breaches any covenant contained in this Agreement and such breach has not been corrected or cured within thirty (30) days after written notice thereof.

**4.2** The COMPANY is in default if any representation or warranty made by the COMPANY herein or in any report, statement, invoice, certificate, application, or other documentation furnished to the DISTRICT in connection with the performance of the Agreement proves to be untrue in a material respect as of the date of issuance or making thereof and has not been corrected, cured or brought into compliance within thirty (30) days after written notice thereof to the COMPANY by the DISTRICT.

**4.3** The COMPANY is in default if it fails to provide to the DISTRICT the written verification, satisfactory to the DISTRICT, of its performance of the COMPANY's obligations as set forth herein.

## **5. REMEDIES**

**5.1** The COMPANY's remedy for default by the DISTRICT shall be a claim for the funds for which the DISTRICT's obligation to pay has ripened by virtue of the COMPANY's compliance with all conditions precedent established under the terms of this Agreement. Such claims do not include consequential or special damages, and shall not exceed the total economic incentive award.

**5.2** If the COMPANY fails to continually maintain any Job for which the DISTRICT paid an incentive for the period specified in Section 3.2.3, the DISTRICT may require the COMPANY to repay as a one-time repayment to the DISTRICT the grant amount paid for each such Job, plus interest at the rate established pursuant to section 55.03, Florida Statutes for judgments or decrees, accrued since the date the grant payment for each such Job was received by the COMPANY.

**5.3** In any annual reporting period in which the Average Project Wage is below \$89,466, the DISTRICT may require the COMPANY to repay to the DISTRICT an amount equal to the percentage by which the Average Project Wage is less than \$89,466, multiplied by the total economic incentive grant received by the COMPANY, plus interest at the rate established pursuant to section 55.03, Florida Statutes for judgments or decrees, accrued since the date each grant payment was received by the COMPANY.

## **6. TERM AND TERMINATION**

**6.1** Unless terminated earlier in accordance with its terms, this Agreement shall terminate on the earlier of:

**6.1.1** Three (3) years after the later of the Jobs Deadline or the satisfactory performance by the COMPANY of all terms of this Agreement;

**6.1.2** The execution by all Parties of a written agreement terminating this Agreement;

**6.1.3** At the option of a non-defaulting Party, for cause in the event the other Party is in default; or

**6.1.4** At the option of DISTRICT, upon COMPANY's filing or institution of bankruptcy, reorganization, liquidation or receivership proceedings, or upon an assignment of a substantial portion of the assets for the benefit of creditors by COMPANY; provided, however, that in the case of any involuntary bankruptcy proceeding such right to terminate shall only become effective if COMPANY consents to the involuntary bankruptcy or such proceeding is not dismissed within ninety (90) days after the filing thereof.

**6.2** If the COMPANY makes a request in writing, prior to the expiration of the time period indicated in Section 3.2.1, to extend the time period for up to an additional twelve (12) months, the DISTRICT and the COUNTY will consider the request, and the COUNTY may grant the requested extension in its reasonable discretion.

**6.3** Sections 3.2.2, 3.2.3, 3.4, 4, 5, and 6 shall expressly survive termination or expiration of this Agreement to the extent necessary to fully comply with the repayment provisions of this agreement.

**6.4** Termination or expiration of this Agreement shall not affect any other rights of either Party which may have vested or accrued up to the date of such termination or expiration.

## **7. ATTORNEY FEES AND EXPENSES**

Should either Party prosecute any action in connection with this Agreement for collection of payments due under this Agreement or the enforcement of performance or observance of any obligation or agreement herein contained, each Party shall bear its own attorney's fees and costs, including expert witness fees, if any. **BOTH PARTIES AGREE TO WAIVE ANY RIGHT TO JURY TRIAL AND THAT ANY TRIAL SHALL BE NONJURY.**

## **8. NOTICES AND ADMINISTRATORS**

**8.1** All notices required or permitted under this Agreement and any written consents or approvals required hereunder shall be in writing and are in effect upon receipt. Notices shall be transmitted either by personal hand delivery; United States Postal Service (USPS), certified mail return receipt requested; or, overnight express mail delivery. E-mail and facsimile transmission may be used if the notice is also transmitted by one of the preceding forms of delivery. The addresses set forth below for the respective Parties shall be the places where notices shall be sent, unless prior written notice of change of address is given.

**8.2** The Parties' designated representatives and their respective addresses for purposes of this Agreement are as follows:

**"Project Topaz" CONTACT INFO HERE:**

**NAME [HERE]**

**TITLE [HERE]**

**COMPANY NAMED [HERE]**

**COMPANY ADDRESS [HERE]**

**PHONE NUMBER [HERE]**

**EMAIL ADDRESS [HERE]**

**Troy Post, Executive Director  
NORTH BREVARD ECONOMIC DEVELOPMENT ZONE  
7101 U.S. HIGHWAY ONE  
TITUSVILLE, FLORIDA 32780  
Phone: 321-621-4713  
E-mail: [troy.post@brevardfl.gov](mailto:troy.post@brevardfl.gov)**

## **9. BINDING EFFECTS AND ASSIGNMENT**

**9.1** No portion of this Agreement, neither the rights nor the obligations herein, may be assigned by COMPANY to any other legal entity or person without the prior written

consent of the DISTRICT and only upon satisfactory terms providing for the completion of the Project.

**9.2** This Agreement shall be binding upon the successors and assigns of the Parties to the extent such assignment has been consented to by the DISTRICT.

**9.3** COMPANY must operate the Project at the Project Site in order to receive the grant incentive.

#### **10. GOVERNING LAW, VENUE AND WAIVER OF REMOVAL TO FEDERAL COURT, SERVICE OF PROCESS, REMEDY FOR UNLAWFUL PAYMENTS**

**10.1** This Agreement shall be governed by, and interpreted and construed in accordance with, the laws of the State of Florida. Venue in any litigation arising out of this agreement shall be Brevard County, Florida in the state court with jurisdiction. COMPANY consents and waives any objection or defenses relating to Florida state court having jurisdiction over any dispute or claim arising out of this Agreement and consents to process being served upon its Florida registered agent. COMPANY expressly waives removal of any claim or action arising under this Agreement to federal court.

**10.2** COMPANY agrees that it shall reimburse to the DISTRICT any public expenditure found to be unlawful by a court of competent jurisdiction.

#### **11. MODIFICATION**

This Agreement may not be changed or modified except by written instrument signed by all of the Parties.

#### **12. FURTHER ASSURANCES**

Each Party, without further consideration, shall take such action, execute, and deliver such documents as the other may reasonably request to correct or effectuate the purpose of this Agreement.

#### **13. RELATIONSHIP OF THE PARTIES**

Nothing in this Agreement, nor any act of the Parties, shall be deemed or construed by the Parties or by any third party to create a relationship of principal and agent, partnership, joint venture or of any similar association whatsoever between COMPANY and DISTRICT.

#### **14. PROMOTION OF ECONOMIC INCENTIVES**

As to those matters not covered by a lawful confidentiality agreement, with the consent of the COMPANY, the DISTRICT may issue news releases, public announcements, advertisements, or other forms of publicity concerning its efforts in connection with this Agreement. The District must obtain the COMPANY's consent to any written or oral material

to be published by the DISTRICT or the COUNTY prior to publication. Further, if the COMPANY consents, the DISTRICT shall be permitted to erect signage during the construction phase of the Project, indicating that the Project was assisted with the promise of financial help from the DISTRICT.

## **15. PUBLIC RECORDS DISCLOSURES**

**15.1** The COMPANY agrees and understands that Florida has broad public disclosure laws, and that any written communications with the COMPANY, to include emails, email addresses, a copy of this Agreement, and any supporting documentation related to this Agreement are subject to public disclosure upon request, unless otherwise exempt or confidential under Florida Statute.

Public records are defined as all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency. In this case, the portion of the COMPANY's records relating to the acceptance and use of the DISTRICT's economic incentive grant are public records that may be subject to production upon request. The COMPANY agrees to keep and maintain these public records until completion of this Agreement.

Upon a request for public records related to this Agreement, the COMPANY will forward any such request to the DISTRICT and the DISTRICT will provide the COMPANY with a reasonable opportunity to protect any documents or information which may be subject to any protection under applicable law. The DISTRICT will respond to any public records request. Upon request, the COMPANY will provide access or electronic copies of any pertinent public records related to this Agreement to the DISTRICT within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes. Upon completion of the Agreement, COMPANY will transfer, at no cost, to the DISTRICT, any public records in its possession.

**IF THE COMPANY HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE COMPANY'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT THE DISTRICT, MS. JO SOJOURNER, [JO.SOJOURNER@BREVARDFL.GOV](mailto:JO.SOJOURNER@BREVARDFL.GOV), 7101 U.S. HIGHWAY ONE, TITUSVILLE, FLORIDA 32780.**

**15.2** The COMPANY agrees and acknowledges that the COUNTY will consider all documentation the DISTRICT submits to support payment of this grant to the COMPANY to be subject to public records disclosure. If the COMPANY has a specific concern that any portion of the documentation supporting payment should be redacted under a confidentiality agreement, under section 288.075, Florida Statutes, or under Chapter

119, Florida Statutes, the COMPANY should address that concern with the DISTRICT prior to submission for payment.

#### **16. COMPANY'S WARRANTIES/REPRESENTATIONS AND INDEMNIFICATION**

**16.1** COMPANY represents that it is possessed with all requisite lawful authority to enter into this Agreement, and the individual executing this Agreement is possessed with the authority to so sign and bind COMPANY.

**16.2** COMPANY further warrants that it has not entered into any agreement nor has any obligations which, to its knowledge, would prohibit COMPANY from locating its Project at the Project Site in Titusville.

**16.3** To the extent permitted by law and subject to the limitations contained in Section 768.28, Florida Statutes, the COMPANY shall indemnify and hold harmless the DISTRICT and its agents and employees from and against any and all claims, damages, losses, bodily injuries (including death), and expenses, including attorney's fees, arising out of or resulting from any services provided pursuant to this Agreement, but only to the extent such claim, damage, loss, or expense is caused in whole or in part by the negligence of the COMPANY. In agreeing to this provision, neither Party intends to waive any defense of sovereign immunity, or limit a damage to which it may be entitled under Section 768.28, Florida Statutes, or otherwise provided by law. Nothing herein shall be construed as consent by the DISTRICT or COMPANY to be sued by third parties in any matter arising out of any contract. The Parties acknowledge that specific consideration has been exchanged for this provision.

#### **17. SEVERABILITY**

If any provision of this Agreement shall be held to be invalid, illegal or unenforceable by a court or other tribunal of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The Parties shall use their best efforts to rehabilitate and replace the unenforceable provision or provisions of this Agreement with lawful terms and conditions approximating the original intent of the Parties.

#### **18. ENTIRE AGREEMENT, CONSTRUCTION, AND DUPLICATE AGREEMENTS**

This Agreement contains the entire understanding of the Parties and supersedes all prior agreements and negotiations respecting such matter. This Agreement is executed in duplicate originals. The Parties acknowledge that they fully reviewed this Agreement and had the opportunity to consult with legal counsel of their choice, and that this Agreement shall not be construed against any Party as if they were the drafter of the Agreement.

#### **19. EMPLOYMENT ELIGIBILITY VERIFICATION (E-VERIFY)**



- a. The COMPANY shall utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the COMPANY during the term of this Agreement. Upon Request, COMPANY shall provide acceptable evidence of their enrollment. Acceptable evidence shall include, but not be limited to, a copy of the fully executed E-Verify Memorandum of Understanding (MOU) for the entity.
- b. COMPANY shall expressly require any subcontractors performing work or providing services pursuant to this Agreement to likewise utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the term of this Agreement.
- c. COMPANY agrees to maintain records of its participation and compliance with the provisions of the E-Verify program, including participation by its subcontractors as provided above, and to make such records available to the COUNTY consistent with the terms of COMPANY's enrollment in the program. This includes maintaining a copy of proof of COMPANY's and any subcontractors' enrollment in the E-Verify Program.
- d. Compliance with the terms of this section is made an express condition of this Agreement and the COUNTY may treat a failure to comply as a material breach of this Agreement.
- e. A contractor who registers with and participates in the E-Verify program may not be barred or penalized under this section if, as a result of receiving inaccurate verification information from the E-Verify program, the contractor hires or employs a person who is not eligible for employment.
- f. Nothing in this section may be construed to allow intentional discrimination of any class protected by law.

## **20. SCRUTINIZED COMPANIES.**

- a. The COMPANY certifies that it and its subcontractors are not on the Scrutinized Companies that Boycott Israel List. Pursuant to Section 287.135, Florida Statutes, the COUNTY may immediately terminate this Agreement at its sole option if the COMPANY or its subcontractors are found to have submitted a false certification; or if the COMPANY, or its subcontractors are placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel during the term of this Agreement.
- b. Pursuant to Section 287.135, Florida Statutes, the COUNTY may immediately terminate this Agreement at its sole option if the COMPANY, its affiliates, or its subcontractors are found to have submitted a false certification; or if the COMPANY, its affiliates, or its subcontractors are placed on the Scrutinized Companies that Boycott the Scrutinized Companies with Activities in Sudan List, or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria during the term of the Agreement.

- c. The COMPANY agrees to observe the above requirements for applicable subcontracts entered into for the performance of work under this Agreement.
- d. As provided in Subsection 287.135(8), Florida Statutes, if federal law ceases to authorize these contracting prohibitions, this section shall become inoperative and unenforceable.

## 21. COUNTERPARTS AND AUTHORITY

This Agreement may be executed in counterparts all of which, taken together, shall constitute one and the same Agreement. Each Party represents that the person signing on its behalf has been fully authorized by all required action to sign on behalf of and to bind that Party to the obligations stated herein.

**IN WITNESS WHEREOF**, the DISTRICT and the COMPANY have caused this agreement to be executed and delivered by their duly authorized representatives.

Signed, Sealed and Delivered in the presence of:

**"PROJECT TOPAZ"  
("COMPANY")**

By: \_\_\_\_\_

Witness

Its: \_\_\_\_\_

**NORTH BREVARD DEVELOPMENT  
DISTRICT ("DISTRICT")**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**BREVARD COUNTY BOARD OF COUNTY  
COMMISSIONERS ("COUNTY")**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**APPROVED AS TO LEGAL FORM AND SUFFICIENCY:**

**By:** \_\_\_\_\_  
County Attorney

Proposed

# Economic & Fiscal Impact Analysis

ANALYSIS AND OBSERVATIONS PREPARED BY THE  
NORTH BREVARD ECONOMIC DEVELOPMENT ZONE



## Project “Topaz”

[www.NBEDZ.org](http://www.NBEDZ.org) April, 2023

# Economic & Fiscal Impact Analysis

## Project “Topaz”

Date Prepared: April 2023

NAICS Number: 336 413 – Aerospace parts manufacturing<sup>1</sup>

Industry Aggregation: 16 - “Other Transportation Equipment Manufacturing” (336411 - 336999)<sup>2</sup>

Prepared by: North Brevard Economic Development Zone (NBEDZ) 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 System) program.

For more detailed information on RIMS II multipliers, visit [www.bea.gov/resources/methodologies](http://www.bea.gov/resources/methodologies).

### Project Overview

This proposed project would involve the construction of a 200,000 sq. ft. industrial facility for the manufacture of aerospace components, in connection with the fulfillment of a multi-year contract from the U.S. Department of Defense (DOD). The company, a leading manufacturer in this sector with decades of experience in the field, is currently weighing site options for the placement of the new facility, considering locations in Texas, California, Alabama, and Colorado.

The company has an option to use property in the Titusville area for this operation, making that site a candidate for placement of the project; however, other sites in Florida may be in contention.

If established in the Titusville area, the production schedule specified in the contract would involve work through the year 2046, with the possibility of contract extensions lasting until 2084. The project would be expected to bring in specialty suppliers and vendors, along with the stationing of approximately 100 U.S. military personnel, who would function in a support role to production.

The lead entity for this project is Enterprise Florida, with support being provided by the Economic Development Commission (EDC) of Florida’s Space Coast. A location decision is expected by summer of 2023.

The company has submitted a North Brevard Economic Development Zone (NBEDZ) Application for Assistance, as it seeks inducements from local and state officials to undertake the project in Titusville.

---

<sup>1</sup> The North American Industrial Classification System (NAICS) number used – “aerospace product and parts manufacturing” – represented the best fit for the entity, given the NAICS numbers available in RIMS II; the company used NAICS code number 336 400, but those datasets were not available in RIMS II.

<sup>2</sup> RIMS II uses “industry aggregation” codes to group similar industries together.

With the application received, NBEDZ staff prepared this analysis to determine the project's possible economic and fiscal impact on this region of central Florida.

### **Use of RIMS II for Economic Impact Analysis**

To understand the likely economic impact of this project on the local market, the analysis that follows relied upon the use and application of economic multipliers generated by the federal Bureau of Economic Analysis (BEA), under the U.S. Commerce Department; these data sets were produced through complex analysis of statistics provided by several federal sector sources, including the U.S. Bureau of Labor Statistics and the U.S. Census Bureau.

In economics, a multiplier is a factor of proportionality that measures how one variable changes in response to another variable. The multipliers used in this report are based upon 2012 national benchmark input-output data, and on 2018 regional data specific to the Titusville/Brevard County area; as such, the data used in this analysis is tailored to the local market.

Most of the multipliers used are referred to as Type II final-demand (final use) multipliers and direct-effect multipliers. Final-demand multipliers are merely ratios of a total change in economic activity to a dollar change in final demand (such as the investment in a new building). According to the BEA, final demand consists of a number of different purchases for "final use." These purchases are called *final* because they are not used as intermediate inputs by industries in the region, and may include (1) purchases by consumers outside the region, (2) investments in buildings and capital equipment, (3) purchases by government, and (4) purchases by households.

When a variable is multiplied by a final-demand change, these multipliers (also referred to as "per-output" multipliers) provide an estimate of the total impact across all industries in Titusville/Brevard County. This impact may be expressed in terms of gross output, value-added (increase in local GDP), earnings, and employment. Most of these impacts are shown in the analysis that follows.

[NOTE: Part-time employment can heavily influence the value of Type II multipliers for industries that pay high wages. Visit the BEA website, [www.bea.gov](http://www.bea.gov), for more details on employment multipliers.]

Direct-effect multipliers for employment and household earnings are ratios of the total change to the initial change.

Type II multipliers account for both the inter-industry effects (direct and indirect) and for the household spending effects (induced effects) of a final-demand charge. [Conversely, Type I multipliers account for only the inter-industry effects (direct and indirect) of a final-demand change.]

## Input Variables from Proposed Project

For this analysis, project information was obtained by NBEDZ staff from key management personnel with the company and the EDC, and from the NBEDZ Application for Assistance filed by the company. Those sources provided specific data on the project being contemplated, data which will serve as the input variables.

**Job Creation** – The company has indicated that this proposed facility would eventually **employ 300 people**, all of whom would be considered employees of the company. In addition to those jobs, the project would be expected to result in the placement of 100 military personnel at the project site, assigned by the appropriate military branch to function as support personnel. The employment count would begin in 2027, the year the new facility would be operational, and continue through the year 2033. This employment number would be expected to hold until the year 2046.

While a significant force multiplier for the area, the 100 military men and women assigned to the project site **are not included** in this impact analysis for a couple of reasons. First, it is unknown at this time the dollar amount of wages that these individuals would earn as U.S. servicemen. Second, the duration of their assignment in the area is not known. It is likely that some of these positions will rotate in and out of the operation, resulting in varying lengths of stay.

**Wages Paid** – Based upon information supplied in the NBEDZ Application for Assistance, the project is expected to create varying job classifications, including a large number of “technicians” and “project managers” job titles. For the 300 positions anticipated to be created by the company, management has estimated that the average annual wage would be **\$89,466**.<sup>3</sup> Again, as stated above, the wages earned by the military personnel stationed at the project site (100 personnel) are not factored into this analysis.

**Fringe Benefits Paid** – Relying upon input from the project’s management team, the NBEDZ anticipates that the average benefits cost (for healthcare coverage, pension contribution, and the provision of vacation/sick leave policies) would be **\$27,734** per company employee.

**Capital Expenditures (CAPEX)** – The NBEDZ Application for Assistance submitted by the company calls for planned capital outlays of new buildings and equipment, which would be made over the next three-to-four years. This would involve the construction of a 200,000 sq. ft. facility, along with ancillary structures, resulting in a capital investment of **\$107,000,000**.

---

<sup>3</sup> According to the U.S. Bureau of Labor Statistics (BLS), the nationwide industry average wage for “aerospace engineering and operations, technologists, and technicians” (BLS occupation code 17-3021) was \$72,620 in 2021.

The company noted in its application that the cost of building improvements on land in Titusville could result in a CAPEX of more than \$150 million. Since the building will be built out over several years, and given the propensity of construction costs to rise, the company is planning for a larger outlay. However, for the purposes of this analysis, only the \$107 million figure has been inputted into the RIMS II model.

In addition to the building CAPEX, the company anticipates the placement of \$24,500,000 in new capital equipment at the project site. This does not include office equipment and furnishings, a separate line-item which is expected to represent an investment of \$9.5 million.

One final comment, regarding CAPEX: the company is currently in discussion with the U.S. Department of Defense (DOD) on how the ownership of certain improvements would be vested. It is possible that the DOD – and not the company – would have title to the improvements and the capital equipment, which would remove those assets from the local property tax roll. Given that this issue has not been determined, however, this analysis assumes that the assets would not remain in the name of the company, and therefore, would not be subject to ad valorem tax. This is an important distinction, for it affects the report showing the projected fiscal impact of the project to the public sector. If those CAPEX items were to stay in title to the company, it would produce a more robust fiscal return to local government.

Sales Activity – The company, as stated in its application, expects to generate annual revenue of \$110,000,000, the result of a multi-year contract with DOD.



## Forecasted Economic Impacts

Applying the RIMS II multipliers to the project's parameters, the following impacts would be considered likely, provided that the project is implemented in the same manner and scope as set forth in the application submitted to the NBEDZ by the company:

### Job Creation

Commodities Classification	Final-Demand Employment Multiplier	Direct Jobs Created	Expected Indirect Jobs Created	Expected Induced Jobs Created
Industry Aggregation #16:  "Other Transportation Equipment Manufacturing"	Type I - 4.7077  Type II - 4.7224 (measured as jobs per million of output)	300	517	2

Source: BEA, Tables 2.3 Type I / Type II Final-Demand Employment Multipliers - Industry Aggregations, released 2020

**Interpretation:** In this analysis, indirect job creation is based upon the forecasted "output" of a company or entity (interpreted herein as annual sales generated by the company through this project location, based upon the addition of the new capital improvements to the site). Given that the company anticipates annual sales of \$110,000,000 (see assumptions on page four of this report), the Type I multiplier (of 4.7077) is then multiplied by that sales volume to generate the forecast, showing the creation of 517 indirect jobs (\$110 million x 4.7077 jobs per \$1 million).

**Note that the final-demand employment multiplier is measured as jobs per million dollars of output.**

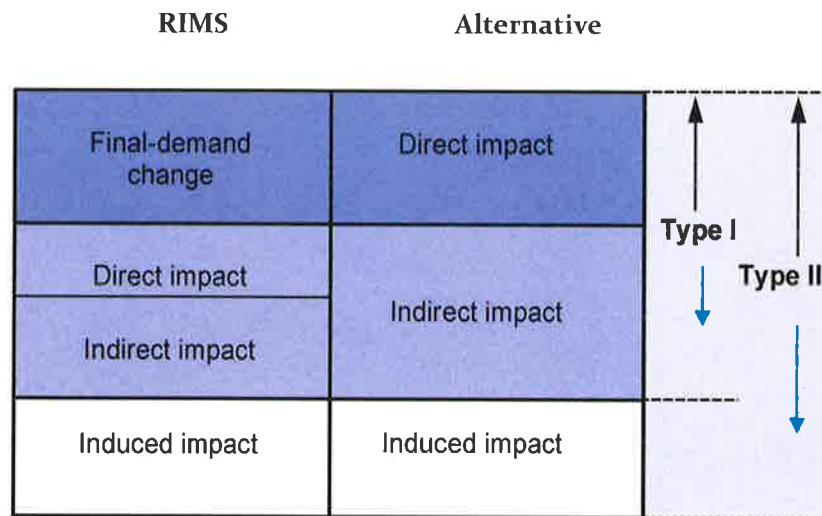
"Indirect Jobs" are those jobs created by suppliers of materials, services, and/or goods that are used in construction and/or operation of a project.

Next, multiplying the output (again, sales volume) forecast by the company times the Type II multiplier (of 4.7224) yields a total of both indirect and induced jobs (519). Subtracting the number of indirect jobs (517) then yields the number of induced jobs expected to be created by the project (2).

“Induced Jobs” are those jobs created by employees of the company spending earned money, whether in local restaurants, retail shops, and on the purchase of other goods and/or services.

For a graphic representation on how these multipliers are used on a per project basis, see the chart below:

### Comparison of Impact Definitions



### Wages Paid

Commodities Classification	Direct-Effect Earnings Multiplier	New Payroll to be Created	Earnings Impact
Industry Aggregation #16: “Other Transportation Equipment Manufacturing”	Type II – 1.6129	\$26,839,800	\$43,289,913

Source: BEA, Table 2.5 Type II Direct Effect – Total Multipliers – Industry Aggregations, released 2020

NOTE: The commodities classification for this project – “other transportation equipment manufacturing” – represented the best fit for the project, given the listings available under

the RIMS II data. However, it is possible that another classification might yield more accurate forecasts.

**Interpretation:** Based upon the average annual wage expected to be paid for all new job positions realized by this project (\$89,466 per job for the 300 jobs to be created), it is projected that a total payroll of \$26,839,800 will be generated at the project's full employment. Multiplying this payroll figure by the direct-effect multiplier of 1.6129 yields the amount of earnings realized throughout the community, that of more than \$43 million for the addition of those 300 new jobs in the area.

The Type II direct-effect multiplier was used for this analysis because that multiplier accounts for both inter-industry effects (direct and indirect) and household spending effects (induced) of the project's implementation.

#### **Fringe Benefits Paid**

<b>Commodities Classification</b>	<b>Direct-Effect Earnings Multiplier</b>	<b>Dollar Amount of Fringe Benefits</b>	<b>Fringe Benefits Impact</b>
Industry Aggregation #16: <i>"Other Transportation Equipment Manufacturing"</i>	Type II – 1.6129	\$8,320,200	\$13,419,650

**Source:** BEA, Table 2.5 Type II Direct Effect - Total Multipliers – Industry Aggregations, released 2020

**Interpretation:** Based upon the average benefits package expected to be paid annually for the new job positions realized by this project (\$27,734 per job), it is projected that the value of the total fringe benefits package will be \$8,320,200 (300 jobs x \$27,734). Multiplying this figure by the direct-effect multiplier of 1.4901, it is anticipated that the impact of the benefits package paid to those new workers would represent an additional earnings impact on the community of \$13 million annually.

The Type II direct-effect multiplier was used for this analysis because it accounts for both interindustry effects (direct and indirect) and household spending effects (induced) of the project's implementation.

### Capital Expenditures

Industry Classification	Final-Demand Value Added Multiplier	Anticipated Capital Investment	Value Added Impact
NAICS #336 413 <i>"Other Aircraft Parts and Auxiliary Equipment Manufacturing"</i>	Type II – 0.5332 <i>for Building Facilities only</i>  <i>for Capital Equipment only</i>	\$107,000,000  \$24,500,000	\$57,052,400  <u>\$13,063,400</u>  Total <u>\$70,115,800</u>

Source: BEA, Table 1.4 Type II Final-Demand Value-Added Multipliers – Detailed Industries, released 2020

**Interpretation:** Based upon the projected capital expenditures for this project (for building improvements, totaling \$107 million, and for capital equipment of \$24.5 million), and applying the Type II final-demand value-added multiplier of 0.5332, that dollar outlay would be expected to create an additional value of more than \$70 million in capital investment throughout the community.

### Sales Activity

Industry Classification	Final-Demand Multiplier – Output	Sales Projection by FY 27	Community Impact
NAICS #336 413 <i>"Other Aircraft Parts and Auxiliary Equipment Manufacturing"</i>	Type II – 1.1177	\$110,000,000	\$122,947,000

Source: BEA, Table 1.1 Type II Final-Demand Output Multipliers – Detailed Industries, released 2020

**Interpretation:** Output multipliers are ratios of the total change in local output (sales) to the change in local output purchased by final users. Based upon the reported revenue to be generated for the company from the operation of this site (in fulfillment of a long-term contract with a government entity), it is projected that the annual sales at \$110 million will be generated by the time the facility is fully operational (2027, approximately).

Using the Type II final-demand output multiplier for the non-profit's "industry" sector (arts, entertainment), it is projected that the effect of that sales volume would potentially translate into \$122 million in sales among supplier firms and service/retail sector outlets.

### **Forecasted Fiscal Impacts**

Fiscal impact analysis considers the financial benefits that local and state governments receive through taxation and fee schedules paid for by a project. In a general sense, revenues generated by new developments are combined with other sources of revenue flowing into governmental units, and are then used by those governmental units to cover the costs of services provided to the community, like police and fire protection, sanitation, and utility services.

While a fiscal impact analysis would typically consider both the revenues and the cost burden it places on government to provide services to a project (thus permitting a comparative study between costs and revenues), only the anticipated revenues for this project are shown herein. This decision was made in order to avoid any inference that a project's potential "costs" to local government (for the provision of certain services, such as police or fire protection) could be or might be interpreted as a possible policy recommendation coming from the NBEDZ.

For a detailed understanding on the cost of governmental services to a private sector development, a review of a governmental unit's annual budget (most of which are now available via online platforms) should provide more precise information on the costs of specific services.

### **Components of Fiscal Impact**

For the two local governments involved (Brevard County and the City of Titusville), the company's project would be expected to generate tax revenue, resulting from both anticipated, direct, and indirect spending within the community.

One component or source of tax revenue could be the property tax generated from the improvements made to the site, and the capital equipment to be acquired and placed in service. However, it is still undetermined at this point whether the company will hold title

to those assets, or DOD. If title is transferred to the later, then no property tax revenue would be generated from the improvements.

That being the case, other aspects of the project – elements that would be expected to generate revenue for the public sector – are presented below:

**Sales tax.** With portions allocated to both the county and the state, the current sales tax rate in Brevard County stands at 7% (with 1% of this rate earmarked to the county, and half of that amount earmarked for restoration of the Indian River Lagoon). The City of Titusville does not receive revenue from a sales tax.

For this project, the building materials needed to construct the \$107 million new industrial building would be subject to sales tax. Assuming that 40% of that CAPEX cost was attributable to building materials (with the remaining 60% attributable to labor), the sales tax rate of 7% would generate local and state revenue of \$2,996,000.

**Corporate income tax.** This state tax mechanism would apply to the company, unless it qualified for state economic development programs to reduce its corporate tax burden. The current corporate income tax rate in Florida is 5.5%.

**Business license fees.** Within the city of Titusville, there exists a fee structure for businesses to operate, given their business classification (based upon type of service or good being produced or sold). Because of the range of fees that could be charged, a summary estimated amount of \$50,000 is projected as a result of the project.

**Building permit.** Since the proposed project site is located within the city limits of Titusville, a building permit from the city would be needed before construction could begin. In Titusville, the permit is 3% of the total project costs; for a project expected to cost \$107 million (building structures only), the permit fee would generate \$3,210,000.

The combination of these taxing sources of revenue would essentially represent the project's ***return on investment*** to its public sector partners.

In sum, the project would be expected to generate over \$6 million in one-time only tax revenue for the city, county, and state.

## Summary

Based upon the findings of this report, the proposed project would be expected to provide a significant economic impact for the greater Titusville area economy, and generate an equally significant impact for the county and state governments, in terms of new tax revenue.

Among the findings revealed through the analysis:

- That the project would create as many as 300 new jobs, and lead to the creation of another 517 jobs indirectly throughout the local economy;

- That the project's planned capital investment – of \$107 million in buildings, and \$24 million in capital equipment – would result in another \$70 million of additional capital investment throughout the community (among contractors, vendors, and service providers);
- That the project's annual payroll – once it achieved full employment, at 300 positions – would approximate \$26 million, and generate another \$43 million of earnings throughout the community.

In addition to those economic impacts, the project would also generate a fiscal impact to local and state governments of more than \$6 million (from sales tax on materials, and business license and permitting fees).

In sum, the proposed project could be expected to have a significant ripple effect throughout the greater Titusville and Brevard County economy, further solidifying the area's aerospace and defense economy, and advancing its brand, "the Space Coast."

## Appendix - Supplemental Material

- Excerpt from BEA Table 1.3 Type II Final Demand Employment – Detailed Industries Multipliers
- Excerpt from BEA Table 1.3 Type I Final Demand Employment – Detailed Industries Multipliers
- Excerpt from BEA Table 2.5 Type II Direct Effect - Total Multipliers – Industry Aggregations
- Excerpt from BEA Table 1.4 Type II Final-Demand Value Added Multipliers – Detailed Industries
- Excerpt from BEA Table 1.1 Type II Final-Demand Output Multipliers – Detailed Industries

---

*Analysis based upon certain information (estimated project costs and financial and attendance projections) supplied by the company.*

*Analysis acknowledges the possibility that varying depreciation schedules may apply to both real and tangible personal property. Further, the county's tax assessor may establish a different valuation for real and personal property holdings.*

*Economic impact calculations performed by NBEDZ staff; conclusions deemed reliable but not guaranteed.*

# Industry List B: RIMS II 84 Aggregate Industry Codes

Aggregate industry code and title		RIMS II detailed industry codes <sup>1</sup>	Aggregate industry code and title		RIMS II detailed industry codes <sup>1</sup>
<b>Agriculture, forestry, fishing, and hunting</b>			<b>Other transportation and support activities<sup>2</sup></b>		484000-492000
1 Farms	1111C0-1124C0		38 Warehousing and storage	481000	481000
2 Forestry, fishing, and related activities	113090-113500			483000	483000
<b>Mining, quarrying, and oil and gas extraction</b>			<b>Information</b>		
3 Oil and gas extraction	211000		40 Publishing industries (except Internet)	511110-511200	
4 Mining (except oil and gas)	212100-2123A0		41 Motion picture and sound recording industries	512100-512200	
5 Support activities for mining	213111-21311A		42 Broadcasting (except Internet) and telecommunications	515100-517A00	
			43 Data processing, hosting, and other information services	518200-5191A0	
<b>Utilities<sup>2</sup></b>		2211A0-221900	<b>Finance and insurance</b>		
<b>Construction</b>		2332E0-2332F0	44 Monetary authorities-central bank, credit intermediation, and related services	522A00-52A000	
<b>Manufacturing</b>			45 Securities, commodity contracts, and other financial investments and related activities	523500-523A00	
8 Wood product manufacturing	321100-3219A0		46 Insurance carriers and related activities	524113-524200	
9 Nonmetallic mineral product manufacturing	327100-327999		47 Funds, trusts, and other financial vehicles	525000	
10 Primary metal manufacturing	331110-331530		<b>Real estate, rental, and leasing</b>		
11 Fabricated metal product manufacturing	332114-332999		48 Real estate <sup>2</sup>	531000	
12 Machinery manufacturing	333111-333998		49 Rental and leasing services and lessors of nonfinancial intangible assets	532100-533000	
13 Computer and electronic product manufacturing	334111-334610		<b>Professional, scientific, technical, and business services</b>		
14 Electrical, electronic, appliance, and component manufacturing	335110-335999		50 Professional, scientific, and technical services	541100-5419A0	
15 Motor vehicles, bodies and trailers, and parts manufacturing	336111-3361A0		51 Management of companies and enterprises	550000	
16 Other transportation equipment manufacturing	336411-336999		52 Administrative and support services	561300-561900	
17 Furniture and related product manufacturing	337110-337930		53 Waste management and remediation services	562000	
18 Miscellaneous manufacturing	339112-339990		<b>Educational services, health care, and social assistance</b>		
19 Food and beverage and tobacco product manufacturing	311111-312200		54 Educational services	611100-611800	
20 Textile mills and textile product mills	313100-314900		55 Ambulatory health care services	621100-621900	
21 Apparel, leather, and allied product manufacturing	315000-316000		56 Hospitals	622000	
22 Paper manufacturing	322110-322299		57 Nursing and residential care facilities	623A00-623B00	
23 Printing and related support activities	323110-323120		58 Social assistance	624100-624A00	
24 Petroleum and coal products manufacturing	324110-324130		<b>Arts, entertainment, recreation, accommodation, and food services</b>		
25 Chemical manufacturing	325110-3258A0		59 Performing arts, spectator sports, museums, and related activities	711100-712000	
26 Plastics and rubber products manufacturing	326110-326290		60 Amusement, gambling, and recreation industries	713100-713900	
<b>Wholesale trade</b>		420000	61 Accommodation	721000	
<b>Retail trade</b>			62 Food services and drinking places	722110-722A00	
27 Wholesale trade	420000		<b>Other services<sup>2</sup></b>		
28 Motor vehicle and parts dealers	441000		63 Other services <sup>2</sup>	811100-813000	
29 Food and beverage stores	442000			500A00	
30 General merchandise stores	443000		<b>Households</b>		
31 Other retail	444000-480000		64 Households	H00000	
<b>Transportation and warehousing</b>					
32 Air transportation	481000				
33 Rail transportation	482000				
34 Water transportation	483000				
35 Truck transportation	484000				
36 Transit and ground passenger transportation	485A00				
37 Pipeline transportation	486000				

<sup>1</sup> Includes government enterprises.  
<sup>2</sup> Includes owner-occupied housing.

1. Industry List A shows the RIMS II detailed industry codes.  
RIMS II Regional Input-Output Modeling System



Table 2.3 Final Demand  
Region: Brevard County  
Series: 2012 U.S. Benchmark  
[Jobs]

TYPE I

FINAL DEMAND - EMPLOYMENT  
"INDUSTRY AGGREGATIONS"



	9	10	11	12	13	14	15	16
	Nonmetallic	Primary metal	Fabricated metal	Machinery	Computer	Electrical and electronic	Motor vehicles	Other transportation
1 Agriculture	0.0012	0.0004	0.0011	0.0007	0.0003	0.0006	0.0007	0.0008
2 Mining, quarrying	0.029	0.0002	0.0001	0.0001	0.0001	0.0001	0.0002	0.0002
3 Utilities*	0.0098	0.0137	0.0076	0.0044	0.0037	0.0051	0.0058	0.0057
4 Construction	0.0382	0.0244	0.021	0.0153	0.0086	0.0133	0.0137	0.0126
5 Durable goods	3.7312	3.2501	5.0887	4.2075	3.5206	4.0369	3.1801	4.7077
6 Nondurable goods	0.1006	0.0154	0.065	0.0403	0.0109	0.0348	0.0532	0.0539
7 Wholesale trade	0.0833	0.1255	0.0808	0.1142	0.033	0.1358	0.1368	0.0667
8 Retail trade	0.0517	0.0253	0.0238	0.0315	0.0082	0.0272	0.059	0.0418
9 Transportation	0.4469	0.066	0.0496	0.053	0.0217	0.0661	0.0468	0.0277
10 Information	0.0143	0.0063	0.0119	0.0134	0.0076	0.0097	0.0062	0.0092
11 Finance and insurance	0.039	0.0452	0.0409	0.0542	0.0101	0.0424	0.0312	0.027
12 Real estate	0.0623	0.0341	0.0731	0.0432	0.0475	0.0484	0.0365	0.085
13 Professional services	0.1492	0.0846	0.1481	0.1409	0.1323	0.122	0.0956	0.2491
14 Management	0.0181	0.0085	0.0206	0.0377	0.0638	0.0138	0.0264	0.0391
15 Administrative	0.1439	0.1197	0.2307	0.0958	0.0866	0.0906	0.0924	0.206
16 Education	0.0041	0.0018	0.0031	0.0029	0.0008	0.0018	0.0015	0.0015
17 Health care	0.0009	0.0004	0.0007	0.0005	0.0002	0.0003	0.0003	0.0004
18 Arts, entertainment, and recreation	0.0062	0.0026	0.0045	0.0047	0.0022	0.0031	0.0023	0.0025
19 Accommodation and food services	0.0115	0.004	0.0074	0.0069	0.0014	0.004	0.0029	0.0028
20 Food services	0.0567	0.0265	0.0371	0.035	0.0091	0.0243	0.0175	0.0195
21 Other services	0.0892	0.0386	0.0387	0.0392	0.0171	0.0271	0.0249	0.0231
22 Household	0	0	0	0	0	0	0	0

Tab 8

Table 2.3 Final Demand  
Region: Brevard County  
Series: 2012 U.S. Benchmark  
(Jobs)

TYPE II

FINAL DEMAND - EMPLOYMENT  
"INDUSTRY AGGREGATIONS"

	9	10	11	12	13	14	15	16
	Nonmetall	Primary m	Fabricated	Machinery	Computer	Electrical e	Motor veh	Other tran
1 Agriculture	0.0079	0.0056	0.0086	0.0079	0.0088	0.0068	0.0057	0.0108
2 Mining, qu	0.0291	0.0002	0.0002	0.0001	0.0001	0.0001	0.0003	0.0002
3 Utilities*	0.0139	0.017	0.0122	0.0089	0.009	0.0089	0.009	0.012
4 Constructi	0.0536	0.0365	0.0385	0.0321	0.0285	0.0277	0.0256	0.036
→ 5 Durable go	3.741	3.2577	5.0998	4.2181	3.5332	4.046	3.1876	4.7224
6 Nondurabl	0.1136	0.0256	0.0798	0.0545	0.0277	0.047	0.0632	0.0736
7 Wholesale	0.1067	0.1437	0.1074	0.1397	0.0632	0.1577	0.1549	0.1022
8 Retail trad	0.3842	0.2845	0.4017	0.3927	0.4367	0.3382	0.3151	0.5452
9 Transporta	0.4786	0.0908	0.0858	0.0875	0.0626	0.0958	0.0713	0.0758
10 Informatio	0.0308	0.0191	0.0307	0.0313	0.0288	0.0252	0.019	0.0342
11 Finance an	0.0779	0.0755	0.0851	0.0965	0.0603	0.0789	0.0612	0.086
12 Real estate	0.2922	0.2132	0.3343	0.2928	0.3437	0.2633	0.2135	0.433
13 Profession	0.192	0.118	0.1967	0.1873	0.1874	0.162	0.1285	0.3139
14 Managemt	0.0216	0.0112	0.0245	0.0415	0.0683	0.0171	0.0291	0.0444
15 Administra	0.1866	0.153	0.2792	0.1421	0.1416	0.1305	0.1252	0.2706
16 Education:	0.0563	0.0425	0.0623	0.0595	0.068	0.0505	0.0416	0.0804
17 Health car	0.3437	0.2677	0.3902	0.3728	0.4419	0.3209	0.2643	0.5194
18 Arts, enter	0.0444	0.0324	0.0479	0.0462	0.0514	0.0388	0.0317	0.0603
19 Accommod	0.029	0.0176	0.0273	0.0259	0.024	0.0203	0.0163	0.0292
20 Food servi	0.2436	0.1722	0.2494	0.238	0.2499	0.199	0.1614	0.3024
21 Other serv	0.2244	0.144	0.1923	0.186	0.1912	0.1535	0.129	0.2277
22 Household	0.0266	0.0207	0.0302	0.0289	0.0343	0.0249	0.0205	0.0403

TAB 18

Table 2.5 Total Multipliers - industry aggregations  
 Region: Brevard County (Type II)  
 Series: 2012 U.S. Benchmark I-O data and 2018 Regional Data

	Final-demand O	Final-demand F	Final-demand I	Final-demand Direct-effect E	Direct-effect F
1 Farms	1.5047	0.4982	17.9548	0.6461	1.4543
2 Forestry, fishing, and related activities	1.3537	0.4189	13.8026	0.8589	1.3617
3 Oil and gas extraction	1	0	0	0	0
4 Mining (except oil and gas)	1.4087	0.3054	6.9639	0.7696	1.6837
5 Support activities for mining	1.4938	0.4383	10.3816	0.8364	1.5817
6 Utilities*	1.3007	0.2466	3.601	0.7621	1.6339
7 Construction	1.6056	0.585	12.5078	0.8651	1.4659
8 Wood product manufacturing	1.3853	0.2839	6.4531	0.5294	1.6153
9 Nonmetallic mineral product manufacturing	1.4544	0.325	6.6977	0.6799	1.7019
10 Primary metal manufacturing	1.4154	0.2534	5.1488	0.4501	1.7436
11 Fabricated metal product manufacturing	1.4597	0.3694	7.7842	0.6518	1.5511
12 Machinery manufacturing	1.413	0.353	6.6901	0.6118	1.5186
13 Computer and electronic product manufacturing	1.3544	0.4188	6.0605	0.8957	1.3544
14 Electrical equipment, appliance, and component	1.3964	0.3039	6.2131	0.6452	1.5903
15 Motor vehicles, bodies and trailers, and parts ma	1.3823	0.2503	5.074	0.4276	1.7193
16 Other transportation equipment manufacturing	1.6131	0.4921	8.0199	0.7799	1.6129
17 Furniture and related product manufacturing	1.5288	0.4491	10.1861	0.6304	1.5045
18 Miscellaneous manufacturing	1.4188	0.334	6.7877	0.7615	1.5745
19 Food and beverage and tobacco product manufa	1.3111	0.2402	5.4394	0.4131	1.5562
20 Textile mills and textile product mills	1.4688	0.3955	10.7892	0.5808	1.5679
21 Apparel, leather, and allied product manufacturi	1.3747	0.3385	12.3142	0.742	1.4876
22 Paper manufacturing	1.3505	0.2695	4.8516	0.495	1.6302
23 Printing and related support activities	1.5089	0.4114	10.2046	0.7503	1.5609
24 Petroleum and coal products manufacturing	1.1767	0.2079	3.1683	0.2927	1.3565
25 Chemical manufacturing	1.3763	0.2728	4.6878	0.587	1.5895
26 Plastics and rubber products manufacturing	1.4052	0.2715	5.5966	0.5282	1.6767
27 Wholesale trade	1.4301	0.3805	6.6771	0.8619	1.5439
28 Motor vehicle and parts dealers	1.4249	0.5309	11.1061	0.9827	1.3314
29 Food and beverage stores	1.4491	0.5051	18.8839	0.9076	1.3639

TAB 20

Table 1.4 Final Demand  
Region: Brevard County  
Series: 2012 U.S. Benchmark  
[Dollars]

TYPE II - VALUE-ADDED MULTIPLIERS

(CAPEX)

	336350	336360	336370	336390	3363A0	336411	336412	336413
	Motor veh	Motor veh	Motor veh	Other mot	Motor veh	Aircraft m	Aircraft en	Other airc
1 Agriculture	0.0003	0	0	0	0.0003	0.0002	0	0.0003
2 Mining, qu	0	0	0	0	0	0	0	0.0001
3 Utilities*	0.0049	0	0	0	0.0052	0.0028	0	0.0054
4 Constructi	0.002	0	0	0	0.0017	0.0011	0	0.0016
5 Durable go	0.3064	0	0	0	0.2923	0.496	0	0.5332
6 Nondurabl	0.0045	0	0	0	0.007	0.0033	0	0.0081
7 Wholesale	0.0259	0	0	0	0.026	0.0142	0	0.0163
8 Retail trad	0.0218	0	0	0	0.0188	0.0142	0	0.0189
9 Transporta	0.0053	0	0	0	0.0055	0.0034	0	0.0046
10 Informatio	0.0039	0	0	0	0.0038	0.0037	0	0.0049
11 Finance an	0.0071	0	0	0	0.008	0.005	0	0.007
12 Real estate	0.0195	0	0	0	0.0194	0.0255	0	0.024
13 Profession	0.0111	0	0	0	0.0133	0.023	0	0.0179
14 Managem	0.0085	0	0	0	0.0089	0.0083	0	0.0074
15 Administra	0.0079	0	0	0	0.0083	0.0052	0	0.0138
16 Education	0.0021	0	0	0	0.0021	0.002	0	0.0026
17 Health car	0.0198	0	0	0	0.0192	0.0187	0	0.0249
18 Arts, enter	0.0016	0	0	0	0.0016	0.0015	0	0.002
19 Accommod	0.0014	0	0	0	0.0014	0.0013	0	0.0017
20 Food servi	0.0061	0	0	0	0.0061	0.0056	0	0.0075
21 Other serv	0.0076	0	0	0	0.0073	0.0062	0	0.0085
22 Household	0.0003	0	0	0	0.0003	0.0003	0	0.0004

TAB 14

# TYPE II - OUTPUT MULTIPLIERS

(SALES REVENUE)

Table 1.1 Final Demand  
Region: Brevard County  
Series: 2012 U.S. Benchmark  
[Dollars]



	336350	336360	336370	336390	3363A0	336411	336412	336413
	Motor veh	Motor veh	Motor veh	Other mot	Motor veh	Aircraft m	Aircraft en	Other airc
1 Agriculture	0.0005	0	0	0	0.0005	0.0004	0	0.0006
2 Mining, qu	0	0	0	0	0.0001	0	0	0.0001
3 Utilities*	0.0083	0	0	0	0.0089	0.0048	0	0.0093
4 Constructi	0.0046	0	0	0	0.0039	0.0026	0	0.0037
5 Durable go	1.1928	1	1	1	1.1278	1.1172	1	1.1177
6 Nondurabl	0.0139	0	0	0	0.0232	0.0102	0	0.024
7 Wholesale	0.0429	0	0	0	0.0432	0.0236	0	0.0271
8 Retail trad	0.0328	0	0	0	0.0284	0.022	0	0.0292
9 Transporta	0.0116	0	0	0	0.0119	0.0074	0	0.0099
10 Informatio	0.0073	0	0	0	0.0072	0.0068	0	0.0091
11 Finance an	0.0132	0	0	0	0.0149	0.0091	0	0.0129
12 Real estate	0.0268	0	0	0	0.0266	0.0347	0	0.0328
13 Profession	0.0166	0	0	0	0.0201	0.0339	0	0.0267
14 Managemen	0.0135	0	0	0	0.0141	0.0131	0	0.0117
15 Administra	0.013	0	0	0	0.0135	0.0085	0	0.0224
16 Educationa	0.0032	0	0	0	0.0031	0.003	0	0.004
17 Health care	0.032	0	0	0	0.031	0.0303	0	0.0402
18 Arts, enter	0.0028	0	0	0	0.0027	0.0026	0	0.0034
19 Accommoda	0.0023	0	0	0	0.0024	0.0021	0	0.0028
20 Food service	0.0117	0	0	0	0.0117	0.0108	0	0.0144
21 Other service	0.0137	0	0	0	0.0132	0.0113	0	0.0156

TAB 11