

Meeting Date
8/4/15



AGENDA	
Section	New Business
Item No.	<del>XXXXXXXXXX</del>

**AGENDA REPORT**  
 BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

SUBJECT:	RESOLUTION TO CONSIDER AN AD VALOREM TAX ABATEMENT – THE BRIX PROJECT BREWERY
DEPT/OFFICE:	MANAGEMENT SERVICES & COMMUNITY SERVICES/COUNTY MANAGER'S OFFICE

Requested Action:

The Economic Development Commission request the Board of County Commissioners adopt an Economic Development Ad Valorem Exemption Resolution qualifying The Brix Project Brewery as an eligible business under the County's Tax Abatement program and authorize a public hearing to consider adopting an exemption ordinance.

Summary Explanation & Background:

This resolution requests that the Brevard County Property Appraiser conduct the required analysis and provide the Board with a report as required by Chapter 196.1995(8) F.S.; and Economic Development Commission of Florida's Space Coast conduct an economic impact analysis of the Company and provide the Board with its recommendation as to extent and length of tax abatement

The Brix Project Brewery is a craft beer manufacturer considering a 16,000 SF facility located at 5220 S. Washington Ave., Titusville, FL.

The Brix Project Brewery plans to create 23 new full time jobs in 2016, with an average wage of approximately \$36,080 and plans to invest approximately \$3.65 Million in new capital investments.

Fiscal Impact: FY2014-2015 – No Fiscal impact until company builds and moves into facility.

Fiscal Impact FY2015-2016 – Fiscal impact will be the amount of ad valorem taxes exempted, which depends on the actual amount invested, the length of abatement and the percentage of taxes abated. A projected economic impact analysis is attached. (This is calculated by the Brevard County Property Appraiser's Office prior to the public hearing to consider adoption of an ordinance granting ad valorem tax exemption to the company.)

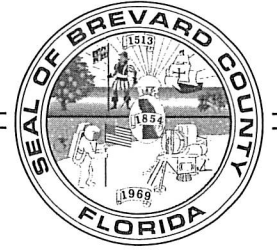
EDC Contact: [GWeiner@SpaceCoastEDC.org](mailto:GWeiner@SpaceCoastEDC.org), 321-638-2000

Staff Contact: [Stockton.Whitten@brevardcounty.us](mailto:Stockton.Whitten@brevardcounty.us), 321-633-2004

Clerk to the Board instruction: Need the adopted Resolution ASAP.

Exhibits Attached: RESOLUTION

Contract /Agreement (If attached):	Reviewed by County Attorney	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	PR	<input type="checkbox"/>
County Manager							Department Director / Extension
Stockton Whitten							



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

Telephone: (321) 637-2001  
Fax: (321) 264-6972

August 5, 2015

MEMORANDUM

TO: Stockton Whitten, County Manager

RE: Item VI.E.2., Resolution Considering an Ad Valorem Tax Abatement – The Brix Project Brewery

The Board of County Commissioners, in regular session on August 4, 2015, adopted Resolution No. 15-120, qualifying The Brix Project Brewery as an eligible business under the County's Tax Abatement program. Enclosed is a certified copy of the Resolution.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS  
SCOTT ELLIS, CLERK

Tammy Etheridge, Deputy Clerk

/af

Encl. (1)

RESOLUTION 2015- 120

WHEREAS, economic development and the creation and retention of value added jobs is a priority of the Brevard County Board of County Commissioners; and

WHEREAS, the citizens of Brevard County voted to provide economic incentives to qualified new and expanding businesses in the November 2014 general election; and

WHEREAS, The Brix Project Brewery has requested that the Brevard County Commissioners exempt ad valorem taxes for its new construction and tangible personal property at 5220 S. Washington Ave, Titusville, FL.

and

WHEREAS, The Brix Project Brewery meets the requirements of Chapter 196.012 F.S. as a business planning to expand in Brevard County.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA as follows:

The Board of County Commissioners requests that the Brevard County Property Appraiser conduct the required analysis and provide the Board with a report as required by Chapter 196.1995(8) F.S.; and

The Board of County Commissioners requests that the Economic Development Commission of Florida's Space Coast conduct an economic impact analysis of the Company and provide the Board with its recommendation as to extent and length of tax abatement; and


The Board of County Commissioners intends to hold a public hearing to consider adopting an ordinance exempting The Brix Project Brewery from select County ad valorem taxes.

DONE, ORDERED AND ADOPTED in Regular Session this 4th day of August, 2015.

ATTEST:

  
\_\_\_\_\_  
Scott Ellis, Clerk

BOARD OF COUNTY COMMISSIONERS  
OF BREVARD COUNTY, FLORIDA

By:   
\_\_\_\_\_  
Robin Fisher, Chairman

As approved by the Board on 08-04-2015

## NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Board of County Commissioners of Brevard County, Florida, on August 18, 2015 at 9:00 a.m., in the Commission Room at 2725 Judge Fran Jamieson Way, Building C, First Floor, Viera, FL, 32940, will hold a public hearing on the following ordinance:

### **ORDINANCE NO.: 2015-**

AN ORDINANCE GRANTING AN ECONOMIC DEVELOPMENT AD VALOREM EXEMPTION TO THE BRIX PROJECT BREWERY SPECIFYING THE ITEMS EXEMPTED; PROVIDING THE EXPIRATION DATE OF THE EXEMPTION; FINDING THAT THE BUSINESS MEETS THE REQUIREMENTS OF CHAPTER 196.1995(8) F.S.; PROVIDING FOR PROOF OF ELIGIBILITY FOR EXEMPTION; The BRIX PROJECT BREWERY; PROVIDING AN EFFECTIVE DATE

All persons for or against said ordinance can be heard at said time and place. If a person decides to appeal any decision made by the Board with respect to such hearing or meeting, he will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is based. The needs of hearing or visually impaired persons shall be met if the department sponsoring the hearing is contacted at least 48 hours prior to the public meeting hearing by any person wishing assistance. The sponsoring department is the Administrative Services Office, Telephone Number: (321)633-2001

A copy of the ordinance may be inspected at:

[www.brevardcounty.us/business/publichearings](http://www.brevardcounty.us/business/publichearings)

Brevard County Government Center, Building C County Managers Office

By order of the Board of County Commissioners of Brevard County, Florida

**SUPPLEMENTAL APPLICATION**

**BREVARD COUNTY ECONOMIC DEVELOPMENT  
AD VALOREM TAX EXEMPTION PROGRAM**

APPLICANT NAME: The Brix Project Brewery

**NOTICE: This supplement is to be used by the applicant to provide additional information required by Economic Development Ad Valorem Tax Abatement Ordinance, Chapter 102, Division 3, Sections 181-191, Brevard County Code; and to provide other information requested by the Board of County Commissioners and the entities who will review the application.**

**Any business seeking an exemption shall file an application with the County before the business has made the decision to locate a new business in the County or before the business has made the decision to expand an existing in the County. Any business decisions, such as announcements, leasing of space or hiring of employees, made prior to final County Economic Development Tax Abatement approval (and not made contingent upon County approval) may constitute grounds for disapproval. Projects, which clearly do not require inducement, will not be approved.**

- 1. Length of exemption requested is total of 10 years (length of exemption approved is sole discretion of County Commission and commences on the adoption date of the ordinance granting the exemption).
- 2. **Property Owner Name:** Barn Light Real Estate, LLC  
Address: 5220 S. Washington Ave. Titusville, FL 32780  
Telephone No. ( 321 ) 403-5424 FAX No. (      )
- 3. **Authorized Agent:** Bryan L. Scott  
Address: 3405 S. Washington Ave. Titusville, FL 32780  
Telephone Number: ( 321 ) 403-5424 Fax No. (      )
- 4. Type of industry or business: Brewery (NAICS: 312120)
- 5. Brief description of product and expansion plans (The applicant is to provide an executive summary of its business plan):  
Refurbishment of existing property for the manufacture and wholesale of beer and soda. Retail sale of the beer will be co-located on the property, but is not included in this application.
- 6. Anticipated number of new employees (The applicant is to provide a breakdown of jobs to be created by category and planned salary to be paid by position): 23 (excluding service positions)
- 7. Percent Increase in overall employment: Yr.1 -100% (New business)
- 8. Expected number of new employees who will reside in Brevard County: 20
- 9. Percentage of existing employees who have resided in the County for more than two years: N/A – (no existing employees)
- 10. Anticipated average wage of employees: Yr.1 - \$36,080
- 11. Anticipated average annual payroll: Yr.1 - \$983,000 (with benefit expenses included)
- 12. Anticipated new capital investment as a result of expansion or relocation of business:  
New construction value: Estimated \$2.25M (building refurbishment construction costs, excluding costs for ineligible retail area)  
New personal property value: \$1.4M (capital machinery, equipment, and furniture additions excluding service industry assets)
- 13. Environmental impact of business. (Identify the number and type of environmental permits required as a result of this project: e.g. air, soil and water pollution, water and sewer, dredge and fill, stormwater, industrial wastewater; provide a brief narrative statement of the company's environmental impacts): Stormwater, water and sewer permits will be required with minimal environmental impact.
- 14. Anticipated volume of business or production: Yr. 1 – Revenue \$4.6 million
- 15. The relocation or expansion would not occur without the exemption: Yes [ ] No [X]
- 16. Source of supplies (local or otherwise):  
% source of supplies County: 20%  
% source of supplies Florida: 40%  
% source of supplies out-of-state: 40%
- 17. Business is/will be located in a community redevelopment area: Yes [ ] No [X]  
Name of area: N/A

**SIGNATURES:**

I hereby confirm the information provided by The Brix Project Brewery to the Economic Development Commission of Florida's Space Coast and the Board of County Commissioners for the purpose of calculating the economic impact and benefit of the proposed tax abatement is true, accurate and complete. I further confirm that The Brix Project Brewery is not in violation of any federal, state or local law, or regulation governing environmental matters. I hereby acknowledge and agree upon approval of the Economic Development Ad Valorem Tax Abatement Ordinance by the Brevard County Board of County Commissioners that The Brix Project Brewery will provide the Brevard Workforce its job openings to be posted on www.employflorida.com and agrees to consider for employment candidates referred by Brevard Workforce.

DATE: 7/20/15  
SIGNED: [Signature]  
TITLE: OWNER  
(Applicant)

SIGNED: [Signature]  
(Preparer)  
3405 S. Washington Ave. Titusville, FL 32780  
(Preparer's Address)  
407-222-4225  
(Preparer's Telephone Number)

---

---

**ECONOMIC DEVELOPMENT COMMISSION (EDC) USE ONLY**

**EDC Economic Impact Analysis:**

---

---

---

---

---

---

---

---

**EDC's Recommendation:**

The Economic Development Commission of Florida's Space Coast hereby certifies that it has proof, to the satisfaction of the EDC, that the applicant meets the criteria of a new business or for an expansion of an existing business as defined in Section 184, Chapter 102, Brevard County Code. Furthermore, the EDC has conducted an economic impact analysis, applying acceptable multipliers as defined by the State Department of Commerce, which concludes that the applicant does hereby meet the economic benefit test; and, therefore, the EDC recommends to the Brevard County Commission that the applicant receive an ad valorem tax exemption for \_\_\_\_\_ percent of its eligible taxes and for a period of \_\_\_\_\_ years.

DATE: \_\_\_\_\_ SIGNED: \_\_\_\_\_  
(EDC President)

---

---

**COUNTY USE ONLY**

**County Manager's Recommendation:**

---

---

---

---

DATE: \_\_\_\_\_ SIGNED: \_\_\_\_\_  
(County Manager)

**ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION  
Chapter 196, Florida Statutes**

To be filed with the Board of County Commissioners, the governing board of the municipality, or both, no later than March 1 of the year the exemption is desired to take effect.

1. Business name: The Brix Project Brewery  
Mailing address: 3405 S. Washington Ave. Titusville, FL 32780
2. Name of person in charge of business: Bryan L. Scott  
Telephone No.: ( 321 ) 403-5424 FAX No.: (      )
3. Location of business (legal description and street address) of property for which this report is filed:  
5220 S. Washington Ave. Titusville, FL 32780 LEGAL Description: 22 352600 5021 S 5220 WASHINGTON AVE 102 TITUSVILLE PART OF LOT 2 LYING BETWEEN FEC RR R/W & US HWY NO 1 BEING 205.97 FT MEASURED ON W R/W US NO 1 FROM S LINE OF LOT 2 AS DES IN ORB 616 PG 79 & PART OF GOVT LOT 3 BETWEEN FEC RR & US HWY 1 AS DESC IN ORB 1084 PG 141 PAR 506
4. Date business opened at this facility: Unopened
5. a. Description of the improvements to real property for which this exemption is requested:  
Refurbishment of existing property to operate a manufacturing facility for the production of beer and malt beverages. Tasting room and food service facilities will be added for the sale of these manufactured products, but are not included in the application.
- b. Date of commencement of construction of improvements: To be determined – No contract awarded
6. a. Description of the tangible personal property for which this exemption is requested and date when property was purchased:

APPRAISER'S ONLY	Class or Item	Age	Date of Purchase	Original Cost	Taxpayer's Estimate of			Taxpayer's Estimate of	USE
					Condition				
					Fair Market Value				
	Manuf. Equip		TBD	1.4M					

- b. Average value of inventory on hand: \$200,000
- c. Any additional personal property not listed above for which an exemption is claimed must be returned on form DR-405 (Tangible Personal Property Tax Return) and a copy attached to this form.
7. Do you desire exemption as a "New Business" [  ] or as an "Expansion of an Existing Business" [  ]
8. Describe the type or nature of your business: Manufacture and wholesale of beer and soda. Retail sale of the beer will be co-located on the property, but is not included in this application.
9. Trade level (check as many as apply):

Wholesale [ X ] Manufacturing [ X ] Professional [ ] Service [ X ] Office [ ] Other [ ]

10. a. Number of full time employees employed in Florida: <sup>#</sup> 26 23 (Manufacturing ONLY)

(DR 418)

b. If an expansion of an existing business:

(1) Net increase in employment \_\_\_\_\_ or \_\_\_\_\_ %  
(2) Increase in productive output resulting from this expansion \_\_\_\_\_ %

11. Sales factor for the facility requesting exemption:

Total sales in Florida from this facility - one (1) location only \$4.6 million divided by  
Total sales everywhere from this facility - one (1) location only \$4.6 million = 100%

12. For office space owned and used by a corporation newly domiciled in Florida: Not yet incorporated

a. Date of incorporation in Florida \_\_\_\_\_  
b. Number of full-time employees at this location \_\_\_\_\_

13. If requesting an exemption due to location in a slum or blighted area, please furnish such additional information as required by the County Commission, City Commission, or Property Appraiser.

I hereby request the adoption of an ordinance granting an exemption from ad valorem taxation on the above property pursuant to Section 196.1995, Florida Statutes. I agree to furnish such other reasonable information as the Board of County Commissioners, the governing authority of the municipality, or the Property Appraiser may request in regard to the exemption requested herein. I hereby certify that the information and valuation stated above by me is true, correct, and complete to the best of my knowledge and belief. (If prepared by someone other than the taxpayer, his declaration is based on all information of which he has any knowledge.)

DATE: 7/20/15

Signed: Kate Raito  
(Preparer)

SIGNED: [Signature]  
(Taxpayer)

3425 S. Washington Ave Titusville, FL  
(Preparer's Address)

TITLE: OWNER

407-222-4225  
(Preparer's Telephone Number)

**PROPERTY APPRAISER'S USE ONLY**

I. Total revenue available to the County or municipality for the current fiscal year from ad valorem tax sources: \_\_\_\_\_

II. Revenue lost to the County or municipality for the current fiscal year by virtue of exemptions previously granted under this section: \_\_\_\_\_

III. Estimate of the revenue which will be lost to the County during the current fiscal year if the exemption applied for were granted had the property for which the exemption is requested otherwise been subject to taxation: \_\_\_\_\_

IV. Estimate of the taxable value lost to the County or municipality if the exemption applied for were granted:  
Improvements to real property \_\_\_\_\_ Personal Property \_\_\_\_\_

V. I have determined that the property listed above meets the definition, as defined by Section 196.012(15) or (16), Florida Statutes, as a New Business [ ], an Expansion of an Existing Business [ ], or Neither [ ].

VI. Last year for which exemption may be applied: \_\_\_\_\_

DATE: \_\_\_\_\_

SIGNED: \_\_\_\_\_  
(Property Appraiser)

RETURN TO BE FILED NOT LATER THAN MARCH 1

**Project Brix**  
**Brevard County, FL**  
**07/21/15**

**Overview:**

New Job Commitment:	23	Capital Investment:	\$3,650,000
Average Annual Wage:	\$36,080		

**Economic impact from job creation:**

<u>Jobs</u>	<u>Net New Wage</u>	<u>Contribution to GDP</u>
23 (Direct)	\$829,840 (Direct)	\$3,896,866 (Direct)
16 (Indirect)	\$884,871 (Indirect)	\$1,537,241 (Indirect)
9 (Induced)	\$333,233 (Induced)	\$621,441 (Induced)
<b>49 TOTAL</b>	<b>\$2,047,944 TOTAL</b>	<b>\$6,055,547 TOTAL</b>

- For every employment position created by Project Brix approximately 1.12 additional jobs will be developed to support the operation of the facility.
- For every payroll dollar paid to Project Brix approximately \$1.47 will be generated for consumer spending.

**County Tax Impact**

<b>Years 1-10</b>	<b>Annual Taxes on Construction</b>	
Projected Tax Assessed	\$	26,658.00
Potential Abatement	\$	11,166.84
Net New Revenue to County	\$	15,491.16
	<b>Annual Taxes on Personal Property</b>	
Projected Tax Assessed	\$	16,587.20
Potential Abatement	\$	6,948.26
Net New Revenue to County	\$	9,638.94
<b>Total New Revenue to County</b>	<b>\$</b>	<b>25,130.10</b>

**Years 11+ :** Company will be assessed for 100% of tax liability

Tax Millage Code – 14A0      NAICS – 312120      IMPLAN Sector – 108

*Analysis based on information supplied by Project Brix -- July 2015*

*Economic impact calculations furnished by EDC Research Office, using IMPLAN Professional 3.1 (www.IMPLAN.com).*

*Abatement & millage numbers are estimates; all final numbers determined solely by the Brevard County Property Appraiser's Office.*

## The Brix Project Brewery – Executive Summary

.....

The Brix Project Brewery spawned out of the successes and operational realizations of Playalinda Brewing Company's (PBC) brewery & tasting room in Titusville, FL. PBC opened in November of 2014 and has not slowed down since. The 3-barrel production system at PBC has been consistently run to its capacity in an effort to supply only the draft lines in its 80 seat tasting room. Proudly, demand for the product continues to substantially out-pace supply sparking serious discussion, research, and movement to start a new venture.

PBC's partners Bryan & Donna Scott and Ron & Katie Raike are forging a bond to make the Brix Project Brewery a competitor in the micro-brewing industry in Florida. With the Scott's proven entrepreneurial skills and financial strength and the Raikes' brewing prowess and industry experience, the Brix Project Brewery is due to make an impact on whichever finite community it calls home, as well as the greater Central Florida area, and Florida as a whole. The Scotts bring to the table 7 years in manufacturing and the Raikes bring a combined 25+ years in strictly the brewing industry (production, distribution, and sales).

It is our intent to initially hire 23 people for the 30 barrel production facility, if Brevard County is our chosen location. The lessor and building owner will refurbish & repurpose the building at 5220 S. Washington Ave, Titusville, FL, with an approximate construction value of \$2.25 million to suite our business needs. The Brix Project Brewery will then invest \$1.4 million in capital expenditures to manufacture quality beers.

Although, the maximum capacity of output for the planned equipment is just over 32,000 barrels our business plan lays out controlled growth with a first year estimate of 9000 barrels produced and distributed throughout the state of Florida as well as consumed on site. Revenue figures from first year yield a \$4.6 million revenue stream supported by 3<sup>rd</sup> party, independent industry benchmarking surveys.

If the Titusville market is selected for advancement of this project, the statistical data lends support that the populous of Northern Brevard County (which constitutes 25% of the entire county's population), over the age of 21 (median age 45.3 in area), and earning an average annual income of over \$40,000 can and will patronize The Brix Project Brewery. On-going growth of the craft beer industry of 17.6% in 2014 further supports the opportunity to enter an untapped market both geographically and economically.

# AD VALOREM TAX ABATEMENT

Job Creation Distribution Worksheet

<b>JOB TITLE / DESCRIPTION</b>	<b>NUMBER OF JOBS</b>	<b>WAGE</b>	<b>ANTICIPATED HIRE TIMELINE (BY YEAR)</b>
Brewmaster	1	\$ 70,000	2016
Head Brewer	1	\$ 40,000	2016
Shift Brewers	4	\$ 30,000	2016
Inventory Supervisor	1	\$ 40,000	2016
Shipping/Receiving	2	\$ 24,960	2016
Administrative Assistant	2	\$ 24,960	2016
HR Staff	1	\$ 35,000	2016
Accountant	2	\$ 35,000	2016
CFO/Controller	1	\$ 60,000	2016
IT personnel	1	\$ 50,000	2016
Sales Rep Staff	4	\$ 35,000	2016
Marketing/Graphic Design	3	\$ 35,000	2016

## Barn Real Estate, LLC

---

Bryan and Donna Scott  
Owners

3405 S. Washington Ave.  
Titusville, FL 32780  
Phone: 321-269-2299  
Fax: 321-609-6979

July 20, 2015

Mr. Stockton Whitten  
County Manager  
Brevard County  
2725 Judge Fran Jamieson Way  
Building C  
Viera, FL 32940

RE: 5220 S. Washington Ave. Titusville, FL 32780 Legal Description: 22 352600  
5021 S 5220 WASHINGTON AVE 102 TITUSVILLE PART OF LOT 2 LYING BETWEEN  
FEC RR R/W & US HWY NO 1 BEING 205.97 FT MEASURED ON W R/W US NO 1  
FROM S LINE OF LOT 2 AS DES IN ORB 616 PG 79 & PART OF GOVT LOT 3  
BETWEEN FEC RR & US HWY 1 AS DESC IN ORB 1084 PG 141 PAR 506

Dear Mr. Whitten:

This is to confirm that property located at 5220 S. Washington Ave. Titusville, FL 32780 is owned by Barn Light Real Estate, LLC and 16,000 sq/ft will be subleased to The Brix Project Brewery.

Subject to certain local and state concessions, we agree to pass through any real estate tax abatement from new property improvements as a result of The Brix Project Brewery Ad Valorem Tax Abatement Application.

Sincerely,



Bryan L. Scott  
Owner – Barn Light Real Estate

II.D.5

FILE COPY

**Lewis, Sally A**

---

**From:** Helton, Lori  
**Sent:** Wednesday, July 29, 2015 3:10 PM  
**To:** Lewis, Sally A  
**Cc:** Infantini, Trudie; Whitten, Stockton E; Mannier, Linda  
**Subject:** Agenda



Sally,  
For further discussion, Commissioner Infantini is requesting item II.D.5 pulled from consent to new business.  
Thank you,  
Lori

*Lori Helton*  
Chief Legislative Aide  
District 3 Commission Office  
321-952-6300

