



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

New Business - County Manager

I.4.

7/11/2023

Subject:

Resolution to consider an Ad Valorem Tax Abatement - L3Harris Technologies, Inc (Project LEO)

Fiscal Impact:

Fiscal Impact FY 2022-2023 - No fiscal impact until company constructs new facility.

Fiscal Impact FY 2023-2024- Fiscal impact will be the amount of ad valorem taxes exempted. (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.)

Dept/Office:

Economic Development Commission of Florida's Space Coast/County Manager's Office

Requested Action:

The Economic Development Commission of Florida's Space Coast (EDC) requests the Board of County Commissioners adopt an Economic Development Ad Valorem Tax Exemption Resolution requesting the EDC and the Property Appraiser to conduct an analysis of L3Harris Technologies, Inc. as an eligible business under the County's Tax Abatement program and authorize a public hearing to consider adopting an exemption ordinance.

Summary Explanation and Background:

This resolution requests that the Brevard County Property Appraiser conduct the required analysis and provide the Board with a report as required by Section 196.1995(9) F.S.; and requests the Economic Development Commission of Florida's Space Coast conduct an economic impact analysis of L3Harris Technologies, Inc. (Project LEO) and provide the Board with its recommendation as to extent and length of tax abatement.

L3Harris Technologies, Inc. is an international communications and information technology company serving government and commercial markets and operates more than 300 locations in over 30 countries globally.

L3Harris Technologies, Inc. is considering expanding its presence in Palm Bay with Project LEO. Project LEO will be a state-of-the-art production facility for building and testing space hardware for commercial and governmental customers, including payloads, unfurlable space antennas, low earth orbit space vehicles, and space vehicle constellations. Project LEO requires construction of an approximate 93,000 square foot new facility with investment of approximately \$70 million in building construction costs plus an additional \$13.1 million in manufacturing equipment. Additionally, Project LEO would create 101 net new jobs dedicated to this project over the course of several years. The average annual wage of Project LEO positions to be created is \$104,805.

The proposed job creation timeline for the project is as follows:

# of New Jobs	Date Jobs Will Be Created
76	Year 1
17	Year 2
8	Year 3

TOTAL 101

EDC Contact: EdgarCP@SpaceCoastEDC.org, 321-638-2000

Staff Contact: Frank.Abbate@brevardfl.gov, 321-633-2001

Clerk to the Board Instructions:



July 12, 2023

MEMORANDUM

TO: Frank Abbate, County Manager

RE: Item I.4., Resolution to Consider an Ad Valorem Tax Abatement – L3Harris Technologies, Inc. (Project LEO)

The Board of County Commissioners, in regular session on July 11, 2023, adopted Resolution No. 2023-063, requesting the EDC and the Property Appraiser to conduct an analysis of qualifying L3Harris Technologies, Inc. (Project LEO) as an eligible business under the County's Tax Abatement program; and authorized a public hearing to consider adopting an exemption ordinance. Enclosed is a fully-executed Resolution.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK

A handwritten signature in cursive script, reading "Kimberly Powell".

Kimberly Powell, Clerk to the Board

/sm

Encl. (1)

cc: Edgar Campa-Palafox, CEcD Director, Economic Development Commission of Florida's Space Coast (EDC)
Property Appraiser Office

RESOLUTION 2023-063

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, Florida voted in the November 2014 general election to provide ad valorem tax exemptions for the purpose of promoting economic development to attract new business and expansions to existing businesses; and

WHEREAS, L3Harris Technologies, Inc. (Project LEO) has requested that the Brevard County Board Commissioners exempt ad valorem taxes for real and tangible personal property added to the Brevard County tax rolls at 2400 Palm Bay Rd, Building 31, Palm Bay, FL 32905, Brevard County Property Appraiser Parcel Identification Number 28-37-23-FN-*-F, more particularly described in Exhibit "A" (the Property); and

WHEREAS, L3Harris Technologies, Inc. is considering constructing a new building on the Property as an expansion site in Florida, and its application meets the requirements of Section 196.012, Florida Statutes as an existing business in Brevard County, Florida.

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


1. The Brevard County Board of County Commissioners requests that the Brevard County Property Appraiser conduct the required analysis and provide the Brevard County Board of County Commissioners with a report as required by Section 196.1995(9), Florida Statutes.
2. The Brevard County Board of County Commissioners requests that the Economic Development Commission of Florida's Space Coast conduct an economic impact analysis of L3Harris Technologies, Inc.'s Application and Supplemental Application for the County's Ad Valorem Tax Exemption Program and provide the Brevard County Board of County Commissioners its recommendation as to extent and length of an ad valorem tax exemption on the real and tangible personal property added to the Brevard County tax rolls.
3. The Brevard County Board of County Commissioners intends to hold a public hearing to consider adopting an Ordinance exempting L3Harris Technologies, Inc. from select Brevard County real and tangible personal property ad valorem taxes as reflected in L3Harris Technologies, Inc.'s Application and Supplemental Application.

DONE, ORDERED AND ADOPTED in Regular Session this 11th day of July, 2023.

ATTEST:


Rachel M. Sadoff, Clerk

BOARD OF COUNTY COMMISSIONERS
OF BREVARD COUNTY, FLORIDA


Rita Pritchett, Chair

As approved by the Board on JUL 11 2023

Exhibit "A"

RE: 2400 Palm Bay Road, Building 31, Palm Bay, FL 32905

Legal description: Lot 2, L3Harris – LEO and SAMT, according to the Plat thereof as recorded in Plat Book 73, Page 76 of the Public Records of Brevard County, Florida

Date: June 16, 2023

To: Frank Abbate
County Manager

From: Edgar Campa-Palafox, CEcD
Director, Business Development

Re: Company Considering Expansion in Brevard County

The Economic Development Commission of Florida's Space Coast is managing a business expansion project, L3Harris Technologies, Inc. (Project LEO). L3Harris Technologies, Inc. is an international communications and information technology company operating at more than 300 locations in over 30 countries globally. L3Harris Technologies, Inc. is considering constructing a new 93,000 SF facility in Palm Bay, FL. The company plans to create 101 new jobs over 3 years with an average wage of \$104,805 and invest approximately \$83,100,000 in new capital expenditures. The proposed job creation timeline for the project is as follows:

	# New Jobs	Date jobs will be created
	76	Year 1
	17	Year 2
	8	Year 3
TOTAL:	101	

The EDC is seeking to leverage the Brevard County Ad Valorem Tax Abatement program to help the client offset the cost of building construction.

Enclosed, please find the following:

- Executive summary
- Completed AVT application
- Completed AVT supplemental application
- Economic impact analysis
- Resolution – AVT
- Draft Board Report

If you should have any questions regarding any of the enclosed documentation or on the company's business expansion, please feel free to contact me.

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: L3Harris Technologies, Inc. (Project LEO)
 Mailing address: 1025 W. NASA Blvd., Melbourne, FL 32919
2. Name of person in charge of business: Jason Lambert
 Telephone No.: (321) 727-9100 FAX No.: (321) 727-9209
3. Location of business (legal description and street address) of property for which this report is filed:
 2400 Palm Bay Road, Building 31, Palm Bay, FL 32905. Legal description is attached.

4. Date business opened at this facility: TBD

5. a. Description of the improvements to real property for which this exemption is requested:
 Construction of a new high-tech manufacturing facility

b. Date of commencement of construction of improvements: TBD

6. a. Description of the tangible personal property for which this exemption is requested and date when property was purchased:

Class or Item	Age	Date of Purchase	Original Cost	Taxpayer's Estimate of Condition <small>Good Avg. Poor</small>	Taxpayer's Estimate of Fair Market Value	APPRAISER USE ONLY
Mfg. machinery & equipment	New	TBD	13,100,000	Good	13,100,000	
			\$			
			\$			
			\$			
			\$			
			\$			
			\$			

b. Average value of inventory on hand: 25000000

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

Communications equipment manufacturing

9. Trade level (check as many as apply):

Wholesale ☐ Manufacturing ☒ Professional ☐ Service ☐ Office ☐ Other ☐

10. a. Number of full-time employees employed in Florida: 8,482

b. If an expansion of an existing business:

- (1) Net Increase in employment 101 or 2 %
(2) Increase in productive output resulting from this expansion 50 %

11. Sales factor for the facility requesting exemption:

Total sales in Florida from this facility - one (1) location only 25,000,000 divided by
Total sales everywhere from this facility - one (1) location only 250,000,000 = 10%

12. For office space owned and used by a corporation newly domiciled in Florida:

- 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: 6 June 2023

SIGNED: [Signature]
(Taxpayer)

Signed: _____
(Preparer)

2400 Palm Bay Rd., Palm Bay, FL 32905

(Preparer's Address)

321-727-3360

(Preparer's Telephone Number)

TITLE: Vice President, Operations

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

SUPPLEMENTAL APPLICATION

BREVARD COUNTY ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION PROGRAM

APPLICANT NAME: L3Harris Technologies, Inc. (Project LEO)

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 business 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. Proposed Property Address (legal description & street address):
2400 Palm Bay Road, Building 31
Palm Bay, FL 32905
Legal description attached
3. Property Owner Name: L3Harris Technologies, Inc.
Address: 2400 Palm Bay Road, Palm Bay, FL 32905
Telephone Number: 321-727-9100 FAX No.: 321-727-9209
4. Authorized Agent: Jason Lambert
Address: 1025 W. NASA Blvd., Melbourne, FL 32919
Telephone Number: 321-727-9100 FAX No.: 321-727-9209
5. Type of industry or business: Communications equip. manufacturing
6. NAICS Code(s): 334220
7. Brief description of product and expansion plans (The applicant is to provide an executive summary of its business plan):
L3Harris Technologies, Inc. is considering expanding its existing campus in Palm Bay, Florida with a newly constructed building to house equipment manufacturing. This project, named Project LEO, would include creation of 101 new full-time jobs as well as investment of approximately \$70,000,000 in building construction costs, and \$13,100,000 in manufacturing equipment.
8. 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):

Project Year	Number of net new full time equivalent Brevard County jobs created in the business unit
I	76
II	17
III	8
Total	101
9. As of the date of this application, what is your total current Brevard County Employment? 6,861
10. Expected number of new employees who will reside in Brevard County: 101
11. Percentage of existing employees who have resided in the County for more than two years: 76% (estimate)
12. Anticipated average wage of employees (excluding employee benefits, but including overtime): \$104,805
13. Estimated new capital investment as a result of expansion or relocation of business: \$83,100,000
Estimated new construction value: \$70,000,000
Estimated new personal property value: \$13,100,000
14. 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, storm water, industrial wastewater; provide a brief narrative statement of the company's environmental impacts):
The project is a standard space manufacturing building. We will need 3 standard permits: soil and water pollution, water and sewer, and stormwater.
15. Anticipated volume of business or production (estimated gross revenue): \$250M estimated gross revenue
16. Would the relocation or expansion occur without the exemption: Yes ☐ No ☒

17. Estimated source of supplies (local or otherwise):

Estimated % source of supplies County 5%

Estimated % source of supplies Florida 20%

Estimated % source of supplies out-of-state: 75%

18. Business is/will be located in a community redevelopment area: Yes ☐ No ☒

Name of area: N/A

19. Do you desire exemption as a

"Relocation" ☐ "Expansion of Existing Business Function" ☒ or as an "Expansion of New Business Function" ☐

SIGNATURES:

I hereby confirm the information provided by L3Harris Technologies, Inc.

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 L3Harris Technologies, Inc.

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 will provide the CareerSource Brevard its job openings to be posted on www.employflorida.com and agrees to consider for employment candidates referred by Brevard Workforce.

DATE: June 6, 2023

SIGNED:

SIGNED: [Signature]
(Applicant)

2400 Palm Bay Rd., Palm Bay, FL 32905
(Preparer)

TITLE: Vice President, Operations

321-729-3360

(Preparer's Address)

(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)

BREVARD COUNTY

LEGAL DESCRIPTION (LEO)

PARENT PARCEL ID# 28-37-23-FN-*--F

EXHIBIT "A"

SHEET 1 OF 2

NOT A SURVEY

NOT VALID WITHOUT SHEET 2 OF 2

LEGAL DESCRIPTION: (PREPARED BY SURVEYOR)

Lot 2, L3Harris – LEO and SAMT, according to the Plat thereof as recorded in Plat Book 73, Page 76 of the Public Records of Brevard County, Florida.



7/6/2023 | 3:38 AM PDT

SURVEYOR'S NOTES:

1. BEARINGS BASED ON THE S LINE OF THE SW 1/4 BEING N89°15'21"W AS PER THE STATE PLANE COORDINATE SYSTEM FOR FLORIDA'S EAST ZONE, NORTH AMERICAN DATUM OF 1983 AS READJUSTED IN 2011 (NAD 83/11) AND PB 73, PAGE 76 (SEE SKETCH)

2. THIS SKETCH AND DESCRIPTION CONTAINS TWO SHEETS. EACH SHEET IS NOT FULL OR COMPLETE WITHOUT THE OTHER.

3. THIS SKETCH AND DESCRIPTION IS NOT VALID WITHOUT THE SIGNATURE AND ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER WHICH CAN BE FOUND ON SHEET 1 OF 2.

LEGEND:

BRG = BEARING
C/L = CENTERLINE
ESMT = EASEMENT
FT = FEET
P.B. = PLAT BOOK
POB = POINT OF BEGINNING
POC = POINT OF COMMENCEMENT
REF = REFERENCE
RNG = RANGE
R/W = RIGHT OF WAY
SEC = SECTION
TWP = TOWNSHIP

PREPARED FOR AND CERTIFIED TO:
AUSTIN COMPANY

PREPARED BY: **Kane Surveying, Inc.**

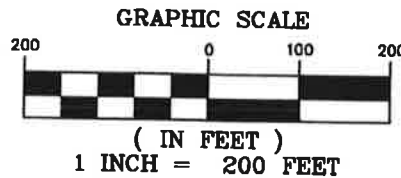
FLORIDA LICENSED BUSINESS No. LB 7838
505 DISTRIBUTION DRIVE
MELBOURNE, FLORIDA 32904
(321) 676-0427 FAX (321) 984-1448

Joel Seymour
JOEL A. SEYMOUR, LS 6133
PROFESSIONAL SURVEYOR & MAPPER
NOT VALID UNLESS SIGNED AND SEALED

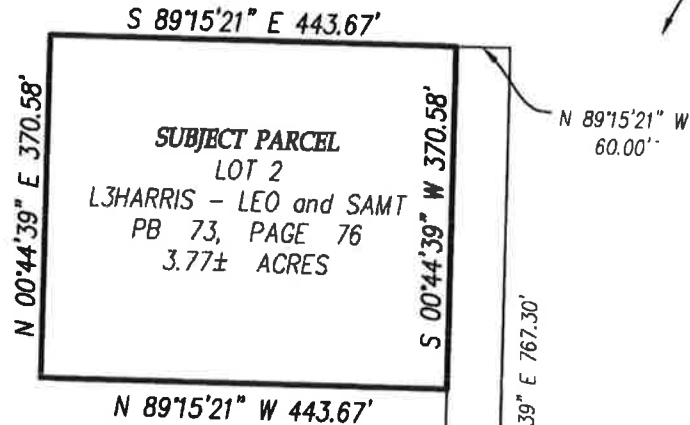
DRAWN BY: JAS	PROJECT NO.	REVISIONS:	DATE:	SECTION 23
DATE: 7/6/23	23-28-37/L3HARRIS/LEGAL			TOWNSHIP 28 SOUTH
				RANGE 37 EAST

SKETCH OF DESCRIPTION (LEO)

PARENT PARCEL ID# 28-37-23-FN-*--F

EXHIBIT "A"**SHEET 2 OF 2****NOT A SURVEY**

Lot 1, L3HARRIS - LEO and SAMT,
according to the plat thereof, recorded
in Plat Book 73, Page 76, Public
Records of Brevard County, Florida.



TRACT "A" - 60' PRIVATE R/W

N 89°15'21" W (REF BRG)

S LINE OF THE SW 1/4
& PB 73, PAGE 76SE COR LOT 1,
PB 73, PAGE 76

431.37'

SE COR OF
SW 1/4 SEC. 23
TWP 28S, RNG 37EBINARY LANE, NE
100' PUBLIC R/W

W LINE OF PB 73, PAGE 76

E LINE OF PB 73, PAGE 76

E LINE OF THE SW 1/4

PREPARED BY:

Kane Surveying, Inc.FLORIDA LICENSED BUSINESS No. LB 7838
905 DISTRIBUTION DRIVE
MELBOURNE, FLORIDA 32904
(321) 676-0427 FAX (321) 984-1448

SCALE: 1 INCH = 200 FEET

PROJECT NO.

SECTION 23
TOWNSHIP 28 SOUTH
RANGE 37 EAST



Jason Lambert
Vice President, Operations
Space and Airborne Systems
1395 Troutman Blvd NE
Palm Bay, FL 32905
321-729-3360

May 15, 2023

L3Harris Technologies is the Trusted Disruptor for the global aerospace and defense industry. With customers' mission-critical needs always in mind, our 46,000 employees deliver end-to-end technology solutions connecting the space, air, land, sea and cyber domains. L3Harris Technologies operates more than 300 locations in over 30 countries globally, is the largest aerospace and defense company in Florida and the state's eighth largest business.

L3Harris Technologies has three mission-aligned segments. Integrated Mission Systems is a leading technology integrator to U.S. and international militaries for complex Intelligence, Surveillance and Reconnaissance (ISR), airborne and maritime platforms and a provider of advanced avionics and training solutions for commercial markets. This segment is headquartered in Palm Bay, Florida. Space and Airborne Systems provides mission solutions and networked systems for space and airborne domains with defense, intelligence and commercial applications. This segment is also headquartered in Palm Bay, Florida. The Communications Systems segment provides secure ground and airborne communications and network systems for the U.S. military, international forces and commercial customers, and is headquartered in Rochester, New York.

As noted, two of L3Harris Technologies three segments are headquartered in Palm Bay, Florida, where they have been operating for 45 years. The company continues to grow its footprint in Florida with recent acquisitions. L3Harris currently employs approximately 8,400 individuals in Florida at over 25 locations with approximately 4,000 of those employees in engineering and scientist roles. The current average annual wage for L3Harris' Florida employees is \$107,000.

The company is considering expanding its presence with two separate projects, code named Project LEO and Project SAMT. L3Harris is considering several locations for these projects in Arizona, Colorado, Indiana, North Carolina and Texas, as well as expanding its current campus in Palm Bay, Florida.

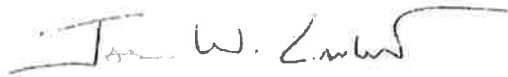
Project LEO will be a state-of-the-art production facility for building and testing space hardware for commercial and government customers, including payloads, unfurlable space antennas, low earth orbit space vehicles, and space vehicle constellations. Project LEO requires construction of an approximate 93,000 square foot new facility with investment of approximately \$70M in building construction costs plus an additional \$13.1M in manufacturing equipment. Additionally, Project LEO would create 101 net new dedicated to this project over the course of several years. The average annual wage of these to be created positions for Project LEO is in excess of \$104,000.

Project SAMT will be a state-of-the-art facility supporting unique, advanced manufacturing technologies allowing opportunities for market expansion into other advanced mission applications. This unique asset will allow L3Harris to claim a greater percentage of program revenue and position the company as a prime solution for advanced packaging efforts. Project SAMT requires construction of an approximate 105,000 square foot

new facility with an investment of \$110M, with additional investments of \$80M for manufacturing equipment and \$11M in business personal property. Project SAMT would create an additional 100 net new jobs dedicated to the project over the course of several years. The average annual wage of the Project SAMT positions to be created is over \$110,000.

L3Harris appreciates the opportunity to apply for the Ad Valorem Tax Abatement ("AVT") program with the City of Palm Bay and Brevard County, Florida. The AVT program would competitively position Palm Bay, Florida, as the location of choice for Projects LEO and SAMT.

Respectfully,

A handwritten signature in dark ink, appearing to read "Jason W. Lambert". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jason Lambert
Vice President, Operations

AD VALOREM TAX ABATEMENT

L3Harris Technologies, Inc. (Project LEO)
Job Creation Distribution Worksheet

JOB TITLE / DESCRIPTION	NUMBER OF JOBS	AVG. WAGE	ANTICIPATED HIRE TIMELINE (BY YEAR)
Program Manager	5	\$208,848	2024-2027
Security	3	\$113,852	2024-2027
Facilities	1	\$67,738	2024-2027
Material Management	6	\$96,729	2024-2027
Quality Assurance	8	\$67,591	2024-2027
Configuration Management/Data Management	3	\$94,632	2024-2027
Engineering	25	\$146,243	2024-2027
Production Technician	50	\$81,414	2024-2027
Total New Jobs and Average Wage of All New Jobs	101	\$104,805	

L3Harris Technologies, Inc.

Brevard County, FL

05/25/23

Overview:

New Job Commitment:	101	Capital Investment:	\$83,100,000
Average Annual Wage:	\$104,805		

Economic impact from job creation:

Jobs	Net New Wage	Contribution to GDP
101 (Direct)	\$10,585,305 (Direct)	\$14,831,747 (Direct)
51 (Indirect)	\$4,005,589 (Indirect)	\$6,877,546 (Indirect)
52 (Induced)	\$2,485,297 (Induced)	\$4,861,068 (Induced)
205 TOTAL	\$17,076,191 TOTAL	\$26,570,361 TOTAL

- For every employment position created by L3HARRIS TECHNOLOGIES INC. approximately 1.03 additional jobs will be developed to support the operation of the facility.
- For every payroll dollar paid to L3HARRIS TECHNOLOGIES INC. approximately \$0.61 will be generated for consumer spending.

County Tax Impact

Years 1-10

	Annual Taxes on Construction
Projected Tax Assessed	\$ 558,504.80
Potential Abatement (at 100%)	\$ 229,040.00
Net New Revenue to County	\$ 329,464.80
	Annual Taxes on Personal Property
Projected Tax Assessed	\$ 104,520.18
Potential Abatement (at 100%)	\$ 42,863.20
Net New Revenue to County	\$ 61,656.98
Total New Revenue to County	\$ 391,121.78

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

Tax Millage Code – 34U0

NAICS – 334220

IMPLAN Sector – 302

Analysis based on information supplied by L3Harris Technologies Inc. - May 2023

Economic impact calculations furnished by EDC Research Office, using IMPLAN version 7.2 (www.IMPLAN.com).

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

DRAFT

, 2023

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

RE: 2400 Palm Bay Road, Building 31, Palm Bay, FL 32905;

Legal description: Lot 2, L3Harris - LEO and SAMT, according to the Plat thereof as recorded in Plat Book 73, Page 76 of the Public Records of Brevard County, Florida.

Dear Mr. Abbate:

This is to confirm that the above-referenced real property commonly known as 2400 Palm Bay Road, Building 31, Palm Bay, FL 32905 ("Property") is owned by L3Harris Technologies, Inc. ("L3Harris"), and that pursuant to separate agreements, it is contemplated that (i) L3Harris will be leasing the Property under a ground lease to BA Leasing BSC, LLC ("Ground Lessee"), (ii) Ground Lessee will coordinate the construction of a building upon such Property, and (iii) Ground Lessee will lease the building and the Property to L3Harris.

Subject to certain local and state concessions, L3Harris agrees to pass through to Ground Lessee, and Ground Lessee agrees to pass through to L3Harris, any real estate tax abatement arising from new property improvements as a result of L3Harris' Ad Valorem Tax Abatement Application.

If you have any questions regarding this letter, please contact the below parties.

Sincerely,

L3Harris Technologies, Inc.

BA Leasing BSC, LLC

By: Edward John Zoiss
President, Space and Airborne Systems
2400 Palm Bay Road
Palm Bay, FL 32905

By: _____
Title: _____
Address: _____
City, State, Zip: _____



June 6, 2023

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

RE: Ad Valorem Tax ("AVT") Abatement Application for L3Harris Technologies, Inc. ("L3Harris" or the "Company"), the "Application" (Project LEO and Project SAMT)

Dear Mr. Abbate:

Thank you for the opportunity for L3Harris to apply for the AVT program. As required for the Application, L3Harris is to submit a pass-through letter from its developer noting the property tax savings will be passed through to L3Harris. At this time, the Company is unable to submit a signed pass-through letter as L3Harris has not yet signed a lease with its selected developer to construct the new building and the developer is unable to sign a document that financially commits it to offer property tax savings to L3Harris until the lease is agreed upon. Included with the Application is a copy of the draft pass-through letter for each project. The Company will plan to submit the signed pass-through letters after full lease execution.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jason W. Lambert", with a stylized flourish at the end.

Jason Lambert
Vice President, Operations
L3Harris Technologies, Inc.

ORDINANCE NO. 2023-_____

AN ORDINANCE GRANTING AN ECONOMIC DEVELOPMENT AD VALOREM EXEMPTION TO L3HARRIS TECHNOLOGIES, INC. (PROJECT LEO); SPECIFYING THE ITEMS EXEMPTED; PROVIDING THE START DATE AND THE EXPIRATION DATE OF THE EXEMPTION; FINDING THAT THE BUSINESS MEETS THE REQUIREMENTS OF SECTION 196.1995, FLORIDA STATUTES; PROVIDING FOR PROOF OF ELIGIBILITY FOR EXEMPTION FOR L3HARRIS TECHNOLOGIES, INC.; PROVIDING AN EFFECTIVE DATE.

RECITALS

WHEREAS, economic development and the creation of jobs are a priority of the Brevard County Board of County Commissioners; and

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

WHEREAS, L3Harris Technologies, Inc., has requested that the Board of County Commissioners exempt ad valorem taxes for real and tangible personal property added to Brevard County tax rolls at 2400 Palm Bay Road, Building 31, Palm Bay, FL 32905, Brevard County Property Appraiser Parcel Identification Number 28-37-23-FN-*F, more particularly described in Exhibit "A" (the "Property"); and

WHEREAS, the Economic Development Commission of Florida's Space Coast has recommended approval of the exemption for L3Harris Technologies, Inc. (Project LEO); and

WHEREAS, the Property Appraiser has provided the Board of County Commissioners with its report as required by Section 196.1995(9), Florida Statutes; and

WHEREAS, it has been determined that L3Harris Technologies, Inc., meets the requirements of Section 196.012(15), Florida Statutes for an expansion of an existing business in Brevard County; and

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

Section 1. Recitals. The above recitals are true and correct and are incorporated by this reference.

Section 2. Chapter 102 entitled "Taxation;" Article IV entitled "Ad Valorem Property Taxation," of the Code of Ordinances of Brevard County, Florida shall be amended to include a new section 102-242 as follows:

- (a) An Economic Development Ad Valorem Tax Exemption is hereby granted to L3Harris Technologies, Inc. (hereafter referred to as "the Company"), for:

1. 0 percent a) of the assessed value of all improvements to real property made by or for the use of a new business (not to exceed the amount identified in the Company's application for exemption) as determined by the Property Appraiser for the first year after substantial completion of those improvements; and b) 0 percent of the assessed value of all tangible personal property of such new business in place during that first year (not to exceed the amount identified in the Company's application for exemption), or
 2. ____ percent a) of the assessed value of all added improvements to real property made to facilitate the expansion of an existing business in the first year of assessment after substantial completion of those improvements (not to exceed the amount identified in the Company's application for exemption) and b) ____ percent of the assessed value of the net increase in all tangible personal property acquired to facilitate such expansion of an existing business during that first year (not to exceed the amount identified in the Company's application for exemption).
- (b) The total amount of revenue available to the County from ad valorem tax sources for the current fiscal year is \$_____; \$_____ is lost to the County for the current fiscal year by virtue of exemptions currently in effect from previous years.
- (c) The tax exemption hereby granted shall be for a term of ____ (____) year(s) commencing with the first year the new or expanded facility and tangible personal property are added to the assessment roll, and commencement of said exemption on real property is contingent upon the Company either (a) purchasing the applicable real property or (b) leasing the applicable real property and providing a pass-through letter to the Brevard County Property Appraiser and Brevard County Manager, as applicable.
- (d) In accordance with the findings of the Board of County Commissioners and the Property Appraiser, the property hereby exempted from ad valorem tax exemption meets the definition of an expansion of an existing business, as defined by Section 196.012(15), Florida Statutes.
- (e) The Company shall submit to the County Manager at the beginning of each year an annual report providing evidence of continued compliance with the definition of an expansion of an existing business by creating and/or maintaining the anticipated jobs in the supplemental application for Brevard County's economic development ad valorem tax exemption program for each of the ____ (____) year(s) during which the Company is eligible to receive ad valorem tax exemption. If the annual report is not received, or if the annual report indicates the Company, no longer meets the criteria of Section 196.012(15), Florida Statutes, or is not meeting the anticipated job creation goals in the supplemental application for Brevard County's economic development ad valorem tax exemption program, the County Manager shall make a report to the Board of County Commissioners for consideration of revocation of this Ordinance granting the tax exemption.

- (f) If the County Manager or designee receives written notice that the company qualifying for an ad valorem tax abatement under the authority of this ordinance has decided not to undertake or complete the new business or expansion of an existing business, including improvements to real property or acquisition of taxable tangible personal property, or has not timely provided the number of jobs qualifying the new business or expansion of an existing business for the ad valorem tax exemption granted under this section, the exemption granted shall be void, shall not take effect and shall not be implemented. If such a notice is received, the foregoing provision shall be self-executing and no further action of the Board of County Commissioners will be required to void the granted exemption. Upon the County's receipt of any such notice, the county manager or designee shall forward the notice to the Property Appraiser along with a copy of this subsection of the ordinance.
- (g) Upon discovery of the Company's failure to qualify for the ad valorem tax exemption granted by this ordinance, the Board of County Commissioners may revoke this Ordinance, and the company shall reimburse those County ad valorem taxes abated in favor of the Company for that period of time that it was determined that the Company no longer met the criteria of Section 196.012(15), Florida Statutes.

Section 3. Severability - If any provision of this Ordinance is held to be illegal or invalid, the other provisions shall remain in full force and effect.

Section 4. Effective Date - This Ordinance shall become effective immediately upon filing as provided by law. A certified copy of the Ordinance shall be filed with the Office of the Secretary of State, State of Florida within ten days of enactment.

Section 5. Inclusion in Code - It is the intention of the Board of County Commissioners that the provisions of this ordinance shall become and be made a part of the Code of Ordinances of Brevard County, Florida; and that the sections of this ordinance may be renumbered or re-lettered and that the word "ordinance" may be changed to "section," "article," or such other appropriate word or phrase in order to accomplish such intentions.

DONE, ORDERED AND ADOPTED in Regular Session this _____ day of _____, 2023.

ATTEST:

BOARD OF COUNTY COMMISSIONERS
OF BREVARD COUNTY, FLORIDA

Rachel M. Sadoff, Clerk

By: _____
Rita Pritchett, Chair

As approved by the Board on _____

Exhibit "A"

RE: 2400 Palm Bay Road, Building 31, Palm Bay, FL 32905

Lot 2, L3Harris – LEO and SAMT, according to the Plat thereof as recorded in Plat Book 73, Page 76 of the Public Records of Brevard County, Florida

DRAFT