

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

August 10, 2018 @ 8:30 a.m.

Parrish Medical Center - Health Village West/Heritage Hall
931 N. Washington Avenue
Titusville, Florida 32796

Board Members:

In Attendance: Dan Aton, Al Matroni, George Mikitarian, Donn Mount, Stan Retz, and Louis Sanders

Absent: Dr. Brenda Fettrow, Micah Loyd, and Robert Jordan

Call to Order: Meeting was called to order at 8:40 a.m. by George Mikitarian, Chairman.

Pledge of Allegiance: Walt Johnson, City of Titusville Mayor, led the assembly in the Pledge of Allegiance.

III. Staff and Partnership Reports

North Brevard Economic Development Zone Executive Director Report

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated he met with a financial technology firm seeking a location for a major building project that could possibly employ more than 100 workers; he met with United Frontiers, who have attended entrepreneurial classes at COlaunch, and is a business that is seeking interim space of approximately 5,000 square feet to develop a small launch vehicle, following its contract award from Defense Advanced Research Projects Agency (DARPA); and he discussed with a site consultant the interest of an industrial company from Kentucky relocating to Titusville.

Donn Mount's presence is noted at 8:42 a.m.

Mr. Post went on to say he is using a software to create a draft of a promotional booklet of the Zone, documenting economic development projects aided; he is continuing to work on the indoor sports arena project, which is considering multiple site options; he talked with the Titusville Mall owner on the possibility of redeveloping the old Sears space for the location to be a recreational venue; and he submitted information on the scope of the project to the Florida region field representative of the U.S. Economic Development Administration as a possible funding source. He stated he participated in a discussion with Florida Department of Transportation (FDOT) about the planned improvements for S.R. 406 (Garden Street), including resurfacing, lane changes, and landscaping; Garden Street is a major corridor into the Zone's area and it complements a project that the Zone has been working on with the Greater Titusville Renaissance (GTR) to inventory properties along the roadway, and to assess aesthetics as either contributing or noncontributing. He stated the summer issue of the *North Brevard Business Review* will feature stories on Commander Innovation in Sharpes and the

planned expansion of Praxair in Mims; he attended a quarterly meeting at the Emergency Management Center (EOC) for hurricane preparedness and the Zone has been assigned to Emergency Support Function (ESF) 18, as the liaison to the business and industrial community in North Brevard; he participated in a couple of webinars presented by the International Business Innovation Association (InBIA), including one on tips and techniques for cultivating a start-up ecosystem through a coworking space; and he attended annual ethics training class. He mentioned Donn Mount and he talked with Red Canyon Engineering and Software via telephone; they are still putting together some details behind their final budget, some of the budgetary numbers are changing; and he anticipates having more detailed information in September. He advised about the real estate appraisal of the Spaceport Commerce Park (SCP) being received and the valuation in SCP should be \$55,000 per acre for smaller lots of two to five acres in size; the larger lots of over five acres should be \$35,000 per acre; the lack of sales in SCP makes it hard to move property at those prices; and it was recommended that offering prices be closer to \$35,000 per acre for the smaller lots of two to five acres, and \$30,500 per acres for the larger lots over five acres. He added it is recommended to create a final plat of the site, which will be an additional expenditure but having the property platted increases value, and saving costs that a developer would have to absorb; site readiness of grading and permitting does not add to the value of the land; however, it can make all the difference in winning a deal, that in terms saves time for the developer to build; the lot comparable sales of Palm Bay were used; and it was noted that Melbourne is the strongest market area in the County, but it is getting close to full absorption.

Al Matroni's presence is noted at 8:48 a.m.

Dan Aton suggested having a marketing piece of how quickly companies are able to go from closing to an occupied building and getting the City's input for comments of how to breeze through that; and he stated a lot of times the decision between buying something that is already built and empty, and occupying it versus building it from scratch is something he took into account and bought something already built.

Mr. Post remarked that is a great suggestion; and he advised he will get with Edyie McCall, City of Titusville Economic Development Director, for help to come up with a flyer that would have testimonials of how quickly companies were able to get into their facilities.

I. Approval of Agenda

Motion by Donn Mount, seconded by Louis Sanders, to approve the Agenda as presented. Motion carried and ordered unanimously.

Approval of Minutes

Motion by Stan Retz, seconded by Louis Sanders, to approve the meeting minutes of April 13, 2018, and May 11, 2018. Motion carried and ordered unanimously.

II. Report on Expenditures to Budget

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated the budget to expenditures is tracking well; the operating expenses are coming in under budget; Grants and Aids still

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have a large amount that has not been spent yet; and there is still the final payment for Embraer of \$500,000, but he is waiting for the final documentation before being able to close out for the next Fiscal Year.

Motion by Stan Retz, seconded by Louis Sanders, to approve the Report on Expenditures to Budget as presented. Motion carried and ordered unanimously.

Mr. Post provided the Zone board with a report of the financials for the Blue Origin Validation Suit legal fees; he advised he is still going through some of the invoices and the information provided by the attorney's; the Validation Suit was approved for up to \$75,000 and right now it is at \$72,861; and the report shows additional charges and costs associated with the costs paid for the consultant who is an expert witness that testified on the economic impact. He provided the Zone board with the final Fiscal Year 2018-2019 budget that was presented to the Board of County Commissioners; and he mentioned Professional Services is a reflection of the Budget Change Request that was done in the spring to increase the amount up to \$75,000.

Christine Schverak, Assistant County Attorney, stated the trial was a full two-day trial; all of the evidence is before the Judge; attorneys on both sides will provide their final briefs by August 20; once the final briefs are provided, the Judge will rule on a decision; she does not know how long that is going to take; but she is hopeful the Zone will get a ruling in a reasonable amount of time.

Motion by Stan Retz, seconded by Louis Sanders, to approve the final budget for Fiscal Year 2018-2019, as presented. Motion carried and ordered unanimously.

III. Staff and Partnership Reports (Continued)

Greater Titusville Renaissance Executive Director Report

Cathy Musselman, Greater Titusville Renaissance (GTR) Executive Director, stated COlaunch has 19 members and two new member applications to process; the last series of six sessions for the 321 Startup workshop was held last night on buying an existing business or franchise; she met with Space Tech related startup owners who are working out of FabLab, and she was able to connect them with a bank; the 'Art Outside the Box' traffic light art program was launched; GTR recently partnered with a group of people who are interested in 'Saving the Clock' at the new location for Red Canyon Engineering and Software, because the clock has not worked for 30 years; and GTR is contracted now with EXXCEL Project Management to offer property management services for events and Christmas decorations.

City of Titusville Economic Development Director Report

Edyie McCall, City of Titusville Economic Development Director, stated the City has maps of the downtown area available on the economic development website of properties and buildings, the Riverfront Center, the Spaceport Commerce Park, and they are downloadable; an application was submitted to Florida Department of Environmental Protection (FDEP) for the Florida Greenways and Trails to become a trail town; and were awarded as the second trail town in the State; FDEP will visit the City on

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September 14 and hold its meeting in the City Council chambers; and signs will be presented to the Mayor at the street party that evening.

Scott Larese, City of Titusville's City Manager, added it was a monumental task, having to go to Tallahassee, and providing a presentation; there were seven other cities applying; and he mentioned the 'Complete Street' contract for Hopkins Avenue is being awarded on August 14, and he expects mobilization to begin 30 days from then.

IV. Discussion and Direction

Request for Architectural and Engineering Services for Multi-Use Indoor Sports Arena

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated he has been talking with Commissioner Rita Pritchett and some other people about the concept of an indoor sports arena, to help drive tourism into the area; a lot of this is stemmed from conversations had with Don Detonates, Chairman of the Board and Chief Executive Officer of United States Specialty Sports Association, (USSSA); USSSA is the group that the County entered a deal with several years ago for the Space Coast Stadium; they have been making improvements and became operational over the summer; and the number of people who visit the facility is incredible. He went on to say all of the activities held are outdoors; there is still a need for having an indoor facility to allow them to get into some things that they do not have access to now such as indoor sports; the Zone offered to fund a feasibility study for the concept of an indoor arena; and after having a lot of discussions, it is at the point where honing in on exactly what the costs are going to be for building a facility, and it requires having an engineering firm onboard to help justify the cost. He stated the Zone has been the leading entity that is driving this process and there are three sites to possibly consider, the Greenfield site across from the Marina, the property near the Riverfront Center, and the old Sears location. He added the County currently has continuing services contracts with Architects RZK, Inc., MBV Engineering, Inc., and Rhodes and Brito Architecture, Inc.; if the Zone board is interested he could ask for them to submit a formal proposal for him to bring back at the next meeting; this would be another outlay of money towards this Project; and the Project has received preliminary funding commitment from the Tourist Development Council of \$7 million, that has to be put into the Project by the end of 2019, or the money will be reprogrammed. He went on to say \$7 million is not enough to do the entire Project and there will have to be some other sources of funding; the Zone's share thus far is the feasibility study for up to \$25,000; and the architectural and engineering services would be \$15,000 to \$20,000.

Dan Aton stated he is very supportive of the concept and it is a phenomenal market that is continuously growing.

Donn Mount asked about BRPH Architecture and Engineering, Inc., who is located in Melbourne; he stated they could be talked to about getting the preliminary things needed donated. Mr. Post replied he could certainly talk to them, but his preference would be to use one of the companies through the continued services contract.

Motion by Dan Aton, seconded by Stan Retz, to direct Troy Post, CEcD, CBE, NBEDZ Executive Director, to inquire if Architects RZK, Inc., MBV Engineering, Inc., Rhodes and Brito Architecture, Inc., or BRPH Architecture and Engineering, Inc. is willing to either donate services, or is willing to give a fee structure of services within a 30-day timeframe

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for a request of architectural and engineering services for a Multi-Use Indoor Sports Arena; and authorized for the proposal to be brought back at the September 14, 2018, Zone board meeting. Motion carried and ordered unanimously.

V. Proposal for Engineering Services of Pad-Ready Site at Spaceport Commerce Park (SCP)

Troy Post, CEcD, CBE, NBEDZ Executive Director, stated one of things wanting to be done is to do another lot of grading and clearing at SCP, because it helps for a prospect to be able to see that quicker and shorter timeframe of a finished product; and there is a former schematic that was done by Honeycutt & Associates, Inc. for a previous prospect at this 11-acre lot, located at the southeast corner of State Road 407 and Shepard Drive. He provided the Zone board with proposals from Honeycutt & Associates, Inc. and Atlantic Environmental Solutions; he asked Ardaman & Associates for a quote via the telephone, and they indicated their fee would be under \$4,000; and he stated he is looking to go forward with entering into a contract with Honeycutt & Associates, Inc. to do the engineering services.

Donn Mount inquired if the total amount needed is \$30,000. Mr. Post responded approximately.

Louis Sanders inquired if there is a mechanism for the Zone when the lot is sold, to recoup the initial investment expended of the \$30,000. Mr. Post responded affirmatively; and he advised of Ordinance No. 08-13, that authorizes the Zone to be the agent for SCP, allowing for land sales, and allowing for the Zone to show its costs used with tax increment revenue to receive reimbursement out of the cost of land; and the leftover money is technically retained by the Zone, but it is in a separate pot to move on to the next project.

Mr. Mount mentioned each acre is sold for \$35,000, but with it being a corner piece, it possibly could have a higher value per acre.

Dan Aton opined because it is a gateway lot additional signage should be considered for SCP.

Mr. Post agreed with Mr. Mount and Mr. Aton; and he stated there is money in capital improvement projects for signage to use up to \$35,000.

Al Matrioni expressed his concern about the design needing to be for distribution trucks to be able to pull in and turn around when making deliveries.

Motion by Stan Retz, seconded by Louis Sanders, to approve engineering and environmental services with Honeycutt & Associates, Inc. and Atlantic Environmental Solutions, and Ardaman & Associates for geotechnical services not to exceed \$30,000 for an 11-acre lot, located on the southeast corner of State Road 407 and Shepard Drive in SPC. Motion carried and ordered unanimously.

VI. New Energy Systems Request for Assignment of Grant Agreement

Troy Post, CEcD, CBE, NBEDZ Executive Director, advised this Item will come back at the next meeting; New Energy Systems purchased a building on Norwood Avenue that

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is a vacant 10,000 square foot commercial building; they want to fix it up and use it for their office, and to move from its South Hopkins Avenue location; work has been started and are halfway done; but the request is for the assignment of the Economic Incentive Agreement from New Energy Service, Inc. and NES Investment Group, LLC be given to Randall Real Estate Investments, Inc. He went on to say the \$90,000 grant is showing on the financial summary as a commitment; there has been some changes with the company; he needs to meet with Christine Schverak, Assistant County Attorney, to help understand who Randall Real Estate Investments, Inc. is; and he received a letter from John Petty, President and Chief Executive Officer of New Energy Service, Inc., asking for this assignment.

Upon consensus, the meeting adjourned at 9:47 a.m.

A handwritten signature in black ink, appearing to read "Robert Jordan", written over a horizontal line.

Robert Jordan, CM, Secretary/Treasurer

Approved on November 9, 2018.