

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

October 10, 2014 @ 8:30 a.m.
Parrish Health Village West/Heritage Hall
931 N. Washington Avenue
Titusville, Florida 32780

Board Members:

In Attendance: Dan Aton, Paula Cardwell, Robert Jordan, George Mikitarian, Donn Mount, and Louis Sanders

Absent: Brenda Fettrow and Micah Loyd

Telephone: Stan Retz

Call to Order: Meeting was called to order at 8:36 a.m. by George Mikitarian, Chairman.

Pledge of Allegiance: Robert Jordan, Secretary, led the assembly in the Pledge of Allegiance

I. Approval of Agenda

Motion by Dan Aton, seconded by Robert Jordan, to approve the Agenda as presented. Motion carried and ordered unanimously.

II. Review and Approval of Board Minutes:

Motion by Robert Jordan, seconded by Paula Cardwell, to approve the NBEDZ Meeting Minutes of July 11, 2014. Motion carried and ordered unanimously.

III. Executive Director Report:

Troy Post, CEcD, NBEDZ Executive Director, stated he met with Jim Thomas, City of Titusville Community Advocate, and the City's video production staff for the creation of a Powerpoint Presentation of a video showing the prospective retail prospects of the Mall Project, and for getting other businesses profiles that feeds into 'Artisan Made' brand showing the economic diversity. He advised that he has had a lot of discussions with potential expansion projects; there is an interesting 'Artisan Made' company in Mims called Warburton, they make mouthpieces for musical instruments and are known worldwide, and they are talking about expanding; Wild Ocean Seafood is planning to redevelop approximately 20,000 square foot of unused building space on Park Avenue that could meet some of the Zones redevelopment requirements; and he met with Tom Fotopolus of AirScan, Inc., who is interested in acquiring an adjoining lot at Spaceport Commerce Park (SCP) for a new project. He provided presentations before the Rockledge 'Biz Lauch' participants and the North Brevard Coalition of Human Services; and he joined John Walsh, Chief Executive Officer of Canaveral Port Authority, and Greg Weiner, CEcD, Senior Director Business Development at Economic Development

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Commission of Florida's Space Coast, for a panel discussion on Brevard's economy at a regional meeting held in Orlando of the Central Florida Commercial Association of Realtors (CFCAR). He stated he attended the City of Titusville Business Incubation Committee meeting for co-work space focusing on the former bank building location at Main Street and U.S. 1; and on October 2nd he chaired a MeetUp gathering of local entrepreneurs at *Caffé Chocolate*. He went on to say he participated in an International Economic Development Council (IEDC) sponsored webinar on crowdfunding and micro-loan lending, which included a presentation on the entity Fundrise and its partnership efforts with the State of Michigan, the City of Cleveland, and other public sector jurisdictions. He talked about working with Michael Gaich and CBRE to target select groups of companies in the Orlando area with material at 8855 Grissom Parkway building, in hopes of securing a buyer/user. He added, the Board of County Commissioners approved the Zone's budget with a 4:1 vote.

Micah Loyd's presence on the telephone is noted at 8:42 a.m.

IV. Discussion and Direction:

Troy Post, CEcD, NBEDZ Executive Director, provided the Zone with a draft copy of the agreement for services between the NBEDZ and the Greater Titusville Renaissance, Inc. (GTR); stated he is not seeking approval today; the draft agreement has to go before the GTR board; if there is feedback from the GTR board this can come back to the November NBEDZ meeting; and once approved, it would be subject to legal counsel. He highlighted on the fourth Whereas, being the NBEDZ is tasked in its County approved Economic Development Plan to seek out partnerships with local organizations that can aid the NBEDZ in accomplishing its economic development mission; and stated the last Whereas, includes the NBEDZ's funding commitment, subject to having an agreement codifying what the arrangement is. He stated the services rendered by the GTR sets forth what the GTR agrees to, if the Zone is going to provide this type of financial assistance totaling \$35,000; he pointed out 'Exhibit A' Scope of Services is the GTR will be responsible for assisting the Zone with establishing and operating a co-work space facility by selecting site and coordinating lease-hold improvements, developing co-work space participation policies and procedures, managing day-to-day building operations, conducting seminars and training programs for entrepreneurs/co-work space participants, and providing business plan counsel to participants and prospective entrepreneurs; creating and administering a loan assistance fund, by developing guidelines for a revolving loan fund for small business enterprises, identifying additional funding sources to capitalize fund, managing all facets of lending activities, and including disbursement and repayment monitoring; enhancing local infrastructure, by encouraging the establishment of unique business enterprises, and promoting local business success stories to the public; and tracking the redevelopment and improvements of commercial property, by developing and maintaining a property database, networking with property owners to encourage reduction of visual intrusion, researching other funding or tax programs designed to induce property improvement, and distributing information to existing property owners. He went on to say on page two is the reporting requirements of the GTR providing the NBEDZ, on an annual basis, a report showing the financial condition of the GTR, including and Income Statement and Balance Sheet for the fiscal year ended; he pointed out 'Exhibit B' Metrics will be to determine performance of the GTR by measuring indicators of small business development and entrepreneurial assistance for the number of businesses/entrepreneurs counseled, hours spent managing cowork

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space facility, number of business assistance events staged/hosted by GTR, attendance at events stages/hosted by GTR, and number and dollar amount of loan assistance leveraged; infrastructure development (local distinctiveness) by number of independent/unique businesses within market, number of distinctive events involving GTR, public attitudes toward business community, and image 'changes' regarding local economy; and redevelopment and improvement of commercial properties by effective use of vacant sites, number of properties improved, maintenance of property database, and number of property owners contacted about improvement programs.

Paula Cardwell stated it seems there is a lot of divesting the Zone's scope of work to the GTR; the loan structure seems convoluted to her with the interest going to the Zone; and she inquired how it would be structured. Mr. Post stated part of what the NBEDZ needs the GTR to help it with is designing a program that answers some of the questions about who retains the interest; it will probably be the Zone still maintaining the funds and GTR would be acting as the agent for the Zone for disbursement of loan funds; it is correct that the GTR will be helping to renovate one or two businesses; there is no minimum requirement having to be done; but it is difficult having quantitative measures. Ms. Cardwell stated having annual reporting gives no way to form a foundation for brownfields. Mr. Post advised in the third paragraph of the Reporting Requirements section has GTR staff will be required to regularly attend meetings of the NBEDZ and shall be prepared to provide interim reports on progress. Ms. Cardwell inquired if GTR is sophisticated enough to comply with what is being asked of GTR to do. Mr. Post opined this is not so onerous that GTR could not comply.

George Mikitarian, Chairman, inquired who is the Zone's negotiating party. Mr. Post responded GTR's newly hired president. Mr. Mikitarian inquired if GTR is self-governed. Mr. Post responded GTR is a partnership; he stated in section three, part c is oversight of GTR staff will be the responsibility of the GTR board of directors; GTR will be asked to work on some things with the Zone; and GTR will be required to provide a report. Chairman Mikitarian inquired where GTR's other resources besides the \$35,000 from the Zone is coming from. Mr. Post responded GTR receives \$25,000 from the City of Titusville; he stated the Zone is budgeted to do the co-work space; he explained the Zone is not asking GTR to expend any money; and the Zone is budgeted for a certain dollar amount to make the co-work space work, but GTR will help as a partner to manage that operation.

Ms. Cardwell inquired if GTR will be paid by a purchase order agreement. Mr. Post replied he does not know if that has been discussed at this point; and some type of invoice for processing will be required. Ms. Cardwell stated it seems GTR will be an integral partner in the co-work space by doing a lot of administrative things; and she inquired if it is anticipated that GTR will ask for more funding from the Zone. Mr. Post responded this is a one-year commitment; he pointed out in section five of the agreement shall remain in effect for a period of one year, beginning upon the effective date of the agreement; once it is approved, he is not sure if it will be a lump sum or a periodic payment made, and the minutia of the delivery of the money to GTR is unknown at this time; and the financial commitment would be \$35,000 for a one year provision; and at the end of that they would come back next year and ask for another proposed amount.

Chairman Mikitarian explained what he thinks the purchase order process is, by if the Zone is 60 percent of GTR's funding, on a monthly basis there needs to be some kind of

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invoice to the Zone saying GTR put forth 60 percent of its effort, and/or resources to accomplish things that are a part of the agreement for services then the Zone pays; if in the next month it is 20 percent of GTR's time and resources used, then 20 percent of the dollars are put forth; and if it is going to be a lump sum, there needs to be a quarterly report given, because the Zone cannot wait one year to see if GTR is off-kilter, and the community is relying on them. He stated he is not opposed, but is a proponent of metrics; and the money disbursement goes back to accountability in the agreement for services.

Robert Jordan, Secretary, stated the only active person would be GTR's Director; he is not a proponent of purchase orders; this is a service agreement not a product contract; and he inquired if this is about the Director or is about GTR services. Ms. Post replied it is about the Director; and the agreement is not being formed with a person, but it is between the Zone and the GTR. He pointed out the last paragraph has the Zone agreed to provide assistance to the GTR totaling \$35,000 for Fiscal Year 2014-2015 to enable the organization to retain administrative staff in support of this role for the scope of services. He went on to say the \$35,000 is not for the co-work space or to capitalize a loan fund, but is for administrative staff to assist the Zone; the Zone is a staff of one that is trying to maximize efforts in the community; if metrics is wanted to measure performance those need to be spelled out; he did spell some of those metrics out in the 'Exhibits A and B'; but it is up to the Zone board next year to determine if there was success and how to allow the partnership to continue.

Ms. Cardwell opined the scope of services in the metrics is too broad, because at the end of the year with quarterly updates milestones are able to be seen; she thinks using a purchase order is a good idea; and the scope of services and metrics need to be put together so that at the end of the year success can be determined.

Secretary Jordan stated he disagrees with purchase orders; he does not want for the Zone to have a bureaucracy; and he inquired if GTR does all the metrics is it doing anything else. Mr. Post responded GTR has a program of work to deliver.

Chairman Mikitarian stated GTR has corridor beautification and arts and culture.

Commissioner Fisher stated GTR has a board of directors and a lot of volunteers; one reason why the GTR came to the Zone asking for funding is the Board of County Commissioners (BOCC) believe that GTR has a value in helping North Brevard to help recover from its economic downturn; GTR would have been funded through the General Fund; but due to the establishment of the Zone, the BOCC thought GTR compliments the Zone, and it could be funded through the Zone. He added, GTR is counting on the funding to mainly fund its staff person and to fund some of the marketing to help North Brevard get out of its economic situation.

Ms. Cardwell inquired how much planning goes into the Arts and Algorithms event. Commissioner Fisher responded it is a lot of work done by GTR coordinating its volunteers with his office and the Brevard Cultural Alliance (BCA). He added, GTR has a Business Development Committee working with the GTR coordinator; and Dan Aton is a member of that Committee.

Mr. Aton stated the scope of services in 'Exhibit A' is accurate; there is no micro loan program or business incubator, but is in the Economic Development Plan (EDP) of the

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Zone to do those and GTR to assist with developing a plan to run and administer those; there are very dedicated volunteers in the Committee who are involved and active that have continued to attend the meetings, and are being very active independently whether there is a coordinator or not; and he thinks if payment is made by purchase order it would be a no win situation. He agreed to monthly reports from GTR; it is a one-year commitment; if the Zone is not happy with the results, it can readjust for the following year; and the \$35,000 from the Zone and the \$25,000 from the City is a way for GTR to help create the micro loan and business incubator programs, and create a funding way to help with the co-work space.

Chairman Mikitarian inquired if Attorney Knox would provide clarity by working with Mr. Post. Attorney Knox responded affirmatively.

The Zone reached consensus for Scott Knox, County Attorney, to work with Troy Post, CEcD, NBEDZ Executive Director, to provide clarity of scope of work and reporting requirements to the Zone in the agreement for services between the NBEDZ and the Greater Titusville Renaissance, Inc. (GTR).

Mr. Post provided the Zone with a map of the concept plan location of the spec-building; he stated the site plan is moving forward with applications being submitted by Rodney Honeycutt, to the City of Titusville, St. Johns River Water Management District (SJRWMD), and Florida Fish and Wildlife Commission (FWC), for the site development plan involving clearing and grading permits for the proposed 75,000 square foot spec-building; and is siting the building for any expansion needs to be located at the rear or to the left side of the building for a total of 200,000 square foot should any extra space be needed. He went on to say Mr. Honeycutt is available to give the Zone an update at a future meeting of where discussions are with SJRWMD and FWC.

Mr. Post advised he received a letter from Greg Weiner, CEcD Senior Director Business Development, Economic Development Commissioner of Florida's Space Coast, about a project that recently eliminated sites in Cocoa, and he suggested reaching out to partners about having certified sites available, because there are too few sites in Spaceport Commerce Park (SCP) that are not cleared or pad ready.

Mr. Post stated Lauralee Thompson is asking for a letter of support for the extension of the Indian River Lagoon National Scenic Byway; extending the scenic highway to include the northern areas of the Lagoon; and the Zone believing the northern extension will help stimulate and facilitate economic progress, and having direct benefit to the citizens of Brevard and Volusia County's.

Motion by Robert Jordan, Secretary, seconded by Dan Aton, to approve sending a Letter of Support for the extension of the Indian River Lagoon National Scenic Byway to the District Scenic Highway Coordinator at Florida Department of Transportation. Motion carried and ordered unanimously.

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V. Business Items:

Old Business:

Troy Post, CEcD, NBEDZ Executive Director, stated the language for officers' election was added to the Operating Procedures Manual (OPM) for the initial slate of officers, whose terms expire on December 31, 2016; and after the Zone approves the OPM today, it is submitted to County Manager Stockton Whitten for further submission of approval by the Board of County Commissioners.

Paula Cardwell inquired if bids are sealed when submitted. Scott Knox, County Attorney, responded formal bids are sealed.

Motion by Robert Jordan, seconded by Paula Cardwell, to approve adding the language for the officers' elected to the OPM. Motion carried and ordered unanimously.

Public Comments:

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



Robert Jordan, CM, Secretary

Approved by the Board on January 9, 2015