North Brevard Economic Development Zone

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Howard N. Tipton, County Manager
Brevard County Overview

- East Coast of Central Florida
- Home of Kennedy Space Center (KSC), Cocoa Beach, Port Canaveral
  - 72 miles long
  - 550,000 residents
  - 16 municipalities

Brevard County Overview

- Harris Corp Headquarters
- 2nd Busiest Cruise Port in U.S.
- Embraer Jets
- Strong Military Presence:
  - Patrick Air Force Base
  - Naval Ordinance Testing Unit
NASA

- Peak employment was at 30,000 in early 1970s with Apollo program.
- NASA employment in 2010 was 18,000 with majority working for the Space Shuttle program.
- Today NASA has 9,000 employees and should go up to 11,000 by 2015.

Economic Development Challenge

- County Should Facilitate Job Growth
- Financial Incentives Required
- How To Move Above The Competition
- Recent Incentives Granted
  - $2 million for Embraer (2008 & 2012)
  - $660,000 for Boeing (2011)
Options

• Do Nothing/Use Reserves
• Implementation of a Countywide Funding Source
• Develop a Dedicated Funding Source for North Brevard

Why Does North Brevard Need an Economic Development Zone?

• Highest percentage of workers laid off from Shuttle program are residents of North Brevard.
• Projected layoffs in North Brevard equal a loss of $100 million in annual income.
• With each job lost at KSC, the ripple effect is an additional 1.8 jobs.
Why Does North Brevard Need an Economic Development Zone?

- More than 50% of the land in North Brevard is exempt from property taxes.
- Key commercial areas exempt.
- Has 20% of population but 1/10th of Taxable Value.

Economic Incentives

- Effective economic development and community redevelopment requires the establishment of dedicated funding mechanisms.
- Our competitors do this!
North Brevard Proposal

- Develop a long-term strategy for creating jobs and facilitating Economic Development in the North Brevard Area
- Dedicated Resources
- Creation of a Special District

How Special Districts Are Defined

- Special districts are local units of special purpose, as opposed to general-purpose, government within a limited boundary, created by general law, special act, local ordinance, or by rule of the Governor and Cabinet.
Notable Brevard Special Dependent Districts

- Melbourne Airport Authority
- Titusville – Cocoa Airport District
- Melbourne – Tillman Water Control District
- Brevard County Educational Facilities Authority

Ordinance Statement of Purpose

“The purpose of the District is to work with the County Commission, the City of Titusville, and the Brevard County Economic Development Commission of Florida’s Space Coast to prepare, adopt, implement and modify, as needed, the Economic Development Plan for areas located north of S.R. 528 in Brevard County District 1.”
North Brevard Economic Development Zone (NBEDZ)

NBEDZ Plan Focus Areas

1. High Wage Business Attraction
2. Redevelopment of Commercial and Industrial Sites
3. Development of Pad Ready/Spec Building Sites
4. Attraction, Retention, and Expansion of Local Business
NBEDZ Accountability Measures

• The Board must prepare and submit for approval an annual budget to the BoCC.
• The Board is accountable to the Titusville City Council and the Board of County Commissioners.
• The Plan must be submitted to and approve by both Elected Bodies.
• There are spending limits set by each of the Elected Bodies.

District Revenues

• In the first five years, 90% of New Construction revenues from commercial and industrial properties within the Increment area
• Traditional tax increment after the fifth year at 90% of the incremental value
New Construction Valuation

– Countywide
  • Fiscal Year 2009/10 = $444,401,981
  • Fiscal Year 2010/11 = $305,102,302
  • Fiscal Year 2011/12 = $210,398,625

– NBEDZ
  • Fiscal Year 2011/12 = $3,795,180
  • 1.80% of Countywide total

NBEDZ Revenue Model
Years 1 Through 5

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<thead>
<tr>
<th>Year</th>
<th>NBEDZ – New Construction Model</th>
<th>Dollars Available for General Fund</th>
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<tr>
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<tr>
<td>• Ground Zero</td>
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<tr>
<td>• Available Economic Development Tool</td>
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<tr>
<td>• Oversight and Accountability</td>
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<tr>
<td>• Designed to be effective within a short period of time (first five years)</td>
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