

City of Melbourne



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**MINUTES
MEED COMMITTEE
CITY HALL COUNCIL CHAMBER
FEBRUARY 6, 2012 ♦ 8:00 A.M.**

Wendy Brandon, Chairman, MEED Committee, called the regular meeting of the MEED Committee to order at 8:00 a.m.

1. All present gave the Pledge of Allegiance to the Flag of the United States of America.
2. Roll call for attendance verification; the following members were:

PRESENT:

Wendy Brandon	Chairman
Larry Wuensch	Member
George Alexander	Member
Cindy Dittmer	Member
Elizabeth Huy	Member

ABSENT:

Jim Ridenour	Vice-Chairman (Excused)
Ralph Garner, Jr.	Member (Excused)

ALSO PRESENT:

Doug Dombroski	Economic and Redevelopment Coordinator
Kathy Lee	Recording Secretary

3. Approval of the January 12, 2012, MEED Advisory Committee Minutes.

Moved by Dittmer/Alexander to approve the minutes of January 12, 2012 as presented.

Motion carried unanimously.

4. BR-2012-02 **PROJECT FATES – 907 EAST STRAWBRIDGE AVENUE**

Mr. Dombroski noted Project Fates is a confidential project, submitted on behalf of the Economic Development Commission. The application was received on February 1, 2012. This is an economic development initiative review proposed to be located at 907 East Strawbridge Avenue, which is within the Downtown Melbourne CRA and the existing Brownfield designation area.

Mr. Dombroski reviewed Florida Statute 376.84 with regards to Brownfield designated areas, noting the following:

MINUTES
MEED COMMITTEE
FEBRUARY 6, 2012 ♦ 8:00 A.M.

- The applicant has applied for the Brownfield Redevelopment Jobs Bonus Tax Refund Program FS 228.107;
- A resolution of support is required from the local government;
- The Advisory Committee should determine the “type” of job and economic impact to the community;
- Requires a minimum of 10 new jobs, Capital investment threshold or QTI;
- The reimbursement can vary from \$2,000 to \$2,500 reimbursement, depending upon local match; and
- This project is seeking an exemption from local match.

Mr. Dombroski provided a location map identifying the overall Brownfield area as well as for the proposed project. He said Project Fates is a new business relocating from the Midwest, and involves medical software and records management. This project consists of under \$1,000,000 in new capital investment. There will be 190 new employees over a four year period with an average salary of \$69,000.

Mr. Dombroski affirmed that Project Fates qualifies for the Brownfield Redevelopment Jobs Bonus Tax Refund Program per FS 228.107, as the proposed location is within a designated Brownfield area. Project Fates will be creating 10 or more jobs. The company meets the requirements of a Qualified Target Industry (QTI) and will be seeking incentives under the QTI Program, as well as the Ad Valorem Tax Exemption Program and the Brownfield Bonus Tax Refund. The Qualified Target Industry will be applied to Project Fates at \$4,000 per employee.

Mr. Dombroski stated the incentives being pursued are the QTI with a 20% local match proposed; the \$2,500 per job tax refund from the state Brownfield Redevelopment Jobs Bonus Tax Refund Program, with a 20% local match proposed; and the Governor’s Quick Action Closing Fund up to \$1,000,000. Project Fates is currently under negotiations with Brevard County and the State to determine the match. In total, there is approximately \$250,000 to \$350,000 involved in the local match from the City of Melbourne and Brevard County.

Mr. Dombroski said the action staff is looking for from the MEED Advisory Committee is a recommendation to City Council to pass a resolution in support of Project Fates for participation in the Brownfield Redevelopment Jobs Bonus Program; support of Project Fates as a QTI by providing a 20% local match; and that City Council provide additional financial support to secure the Governor’s Quick Action Closing Fund.

Mr. Wuensch asked if any funding would be provided by the Downtown Melbourne CRA.

Mr. Dombroski indicated this could be a possibility; however, it would require an amendment to the CRA Plan.

Mrs. Brandon requested further information regarding the status of the purchase of the property.

Mrs. Dittmer stated she did not have exact details. The purchase is contingent upon incentives. There is currently a short term lease on a portion of the building, but the intent is to eventually have the company occupy the entire building.

Mrs. Brandon asked how Project Fates chose Melbourne.

Mrs. Dittmer advised the decision has not been confirmed. Project Fates is also considering other possible locations. The decision will be based on financial incentives.

Moved by Wuensch/Alexander to recommend City Council pass a resolution in support of Project Fates for participation in the Brownfield Redevelopment Jobs Bonus Program; support Project Fates as a QTI by providing a 20% local match; and provide additional financial support to secure the Governor's Quick Action Closing Fund.

Motion carried unanimously.

7. Additional Business/General Discussion

Mr. Alexander feels Project Fates is exactly what Melbourne's CRA's need. There should be a way for the CRA's to help fund these types of projects.

Mr. Dombroski indicated Project Fates did consider several locations within the City, including downtown Eau Gallie.

Mr. Wuensch pointed out these types of employee generating companies will be a direct benefit to downtown Melbourne restaurants and other businesses throughout the City.

Mr. Dombroski agreed and stated staff could consider the possibility of revising all three CRA plans to include an economic development program. Economic development is broadly discussed in all three plans but not specific enough for budgeting funds.

Mrs. Brandon advised she is on the Downtown Melbourne CRA Committee, as well as acting Executive Director for the Henegar Center. She believes that diverting the limited resources available in the CRA's would not be in their best interest. Persisting in making the downtown more attractive and desirable will continue to attract companies such as Project Fates. She stated this is her perspective as a former property owner in downtown Melbourne.

Mrs. Dittmer said she agreed with Mrs. Brandon to an extent; however, everyone thinks that downtown should just be an entertainment district, but this is not what will maintain a healthy and vibrant downtown. There needs to be a daytime and nighttime population. It is important to try and build the daytime population of

MINUTES
MEED COMMITTEE
FEBRUARY 6, 2012 ♦ 8:00 A.M.

businesses such as Project Fates. There needs to be a balance of uses in the downtown area.

Mr. Dombroski provided the Board with a draft presentation for their April 24th annual review before City Council. Because this will be the first time this Committee has reported to City Council, he provided additional information as to why the committee exists. He affirmed the district was approved in 2008 and includes over 5,000 acres. The decision was made to designate a Brownfield area to allow the ability to participate in the Florida Brownfield Program. At the time of this designation, the MEED committee was formed due to statutory requirements.

Mr. Dombroski included a location map highlighting the Brownfield district. He provided basic information relating to the composition of the MEED committee and their purpose and intent. He incorporated information pertaining to the incentives and recommendations by which the committee reviews each project. He noted that the Board has reviewed 10 applications from 2010 to present; one environmental and nine economic development projects. These applications represented 1,200 jobs with an average salary of \$46,101 and total new capital investments of \$98,000,000. The final slide of the presentation included a list of the projects reviewed and their status. He reminded the committee that the presentation was still in draft form.

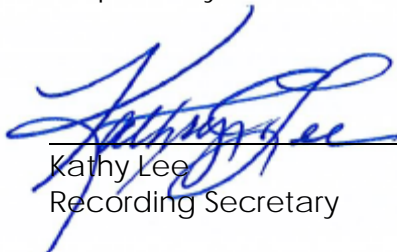
Mrs. Brandon confirmed the presentation included the complete history of the committee.

Mr. Dombroski replied yes; the committee actually heard and reviewed more projects than expected.

8. Adjournment

Moved by Alexander/Dittmer to adjourn at 8:24 a.m.

Respectfully submitted,



Kathy Lee
Recording Secretary