

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST

FY 2010/2011, Second Quarter Report

Prepared for the Brevard County Board of County Commissioners

STRATEGIC MEASUREMENTS INCLUDED IN THIS REPORT:

- BUSINESS DEVELOPMENT
 - New Jobs Announced by Fiscal Year
 - Open/Active Project Counts
 - Monthly Activity
 - New Jobs Goal Progress
 - Active Client Projects List

- COMPETITIVE BUSINESS ENVIRONMENT
 - Policy Development Progress
 - Tracking/Level Assignment

- MARKETING AND COMMUNICATIONS
 - Website Traffic
 - Media Placements
 - Earned Media Goal Progress

- COMMUNITY OF DISTINCTION
 - Accolades Received
 - Accolades Pursuing

- RESOURCE DEVELOPMENT
 - Investor Recruitment Update
 - New Investor Funding Goal Progress

BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS:

We are pleased to provide you with this report for the Second Quarter of Fiscal Year 2010/2011. The EDC's efforts to outline the competitive advantages and showcase the diversity of the local economy by presenting the Space Transition Public Relations Strategy to various community groups and leaders has been well received. We are pleased to report this quarter we hosted media interviews and engaged 17 venues, including WMEL, WDBO, Fox 35, and WBCC; the Titusville, Greater Palm Bay, Melbourne Regional and Cocoa Beach Chambers of Commerce; the Home Builders Contractors Association, the Brevard Workforce Board of Directors, the Florida High Tech Corridor Council, Enterprise Florida, the East Central Florida Regional Planning Council, and the FPRA Space Coast Chapter. We have taken this opportunity to provide these groups with a unified message that they can present to the media or address the public-at-large as they interface and speak about the space program transition.

We had the pleasure of welcoming Embraer to our community on February 21 as the company cut the ribbon on its first and only manufacturing facility in the U.S. The event was well attended with over 300 guests and dignitaries. With the assistance of the commission, we were able to attract this key player in Florida's expanding aviation sector. This is a true example that demonstrates the results of productive partnerships between our community partners. We look forward to working with Embraer on its new customer facility scheduled to open in October of this year. Our business development efforts continued this quarter as we assisted Executive Wings at the Melbourne International Airport and SolTec Electronics in Rockledge with their expansion efforts.

Another large achievement this quarter was the EDC's success in exceeding the earned media mark of \$1M, meeting $\frac{3}{4}$ of our goal to date. For a closer look at the benchmarks, goals and measurements that carried us through the quarter, we invite you to view our Strategic Plan Tracking Report, as of March 31, 2011, on the corresponding pages.

We also continued our effort to urge our state delegation to pass a renewable energy policy for the State of Florida. Florida has a tremendous opportunity to attract renewable energy companies to our state, which would create high tech, high wage jobs and further diversify our economy.

We hosted our eighth annual Community Leaders Trip to Washington, D.C. on March 28-30 to further reinforce the Space Coast's status as a pro-business location for military installation growth, promote our capacity within the Space Program, and explore opportunities for an increased defense presence. Our assembly met with executives from the defense industry who specifically impact the local economy, including Harris Corporation, Northrop Grumman and United Space Alliance. NASA executives also met with the community leaders to further outline the future of the space program. Further, the group met with the local federal delegation and spent an afternoon interfacing with key military personal at The Pentagon to discuss possible opportunities to enhance the capabilities of our installations.

The EDC's Development Council continues to influence change on business policies to enhance the Space Coast's competitiveness. Council members have joined local government leaders to establish processes that streamline the building and site permitting processes. We are pleased to announce SNAP, our new initiative, will be forthcoming at our May Investor update meeting.

We appreciate your continued contributions. If we can answer questions about this report, please contact either of us at your convenience.



Lynda Weatherman
President and CEO



Bob Whelen
Chairman of the Board



(1) BUSINESS DEVELOPMENT

Target and **pursue** cluster-related industries to create value-added jobs. **Maintain** and **grow** our strong industrial base.

(2) COMPETITIVE BUSINESS ENVIRONMENT

Advocate and **make change** in areas determined to improve the business environment.
Shift public and private policies **to achieve** economic competitiveness.

(3) MARKETING AND COMMUNICATIONS

Promote Brevard regionally, nationally and internationally. **Grow** and **empower** the coalition with a cohesive voice.

(4) RESOURCE DEVELOPMENT AND ALLOCATION

Increase and **diversify** funding stream to **support** strategic initiatives.
Align budgets and resources to **strategic priorities** and **goals**.

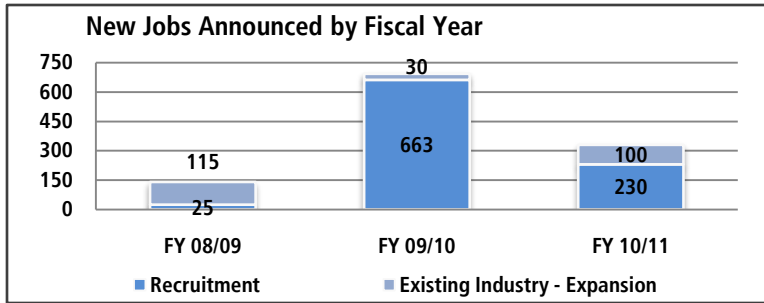
THE WORK SURROUNDING THE PRIORITIES OUTLINED ABOVE SUPPORTS THE FOLLOWING THREE GOALS:

(1) 2,250 NEW JOBS

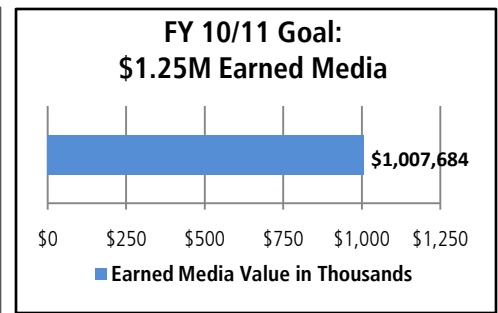
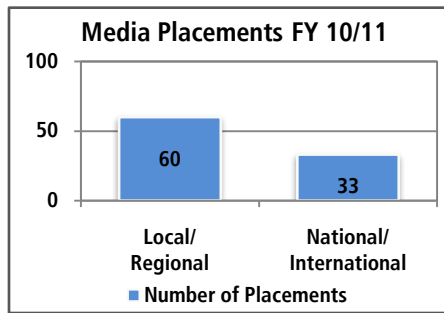
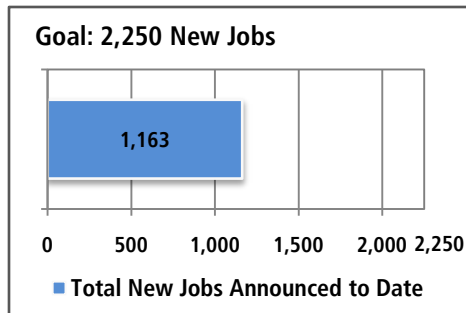
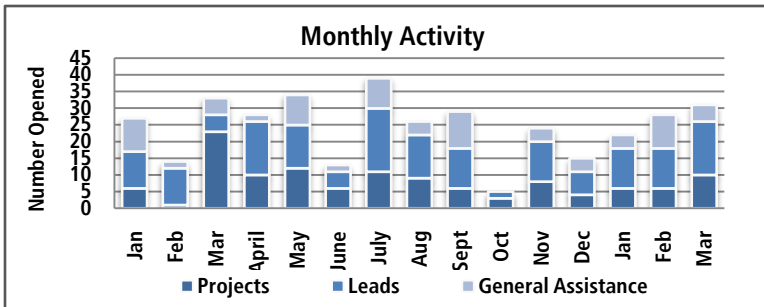
(2) 12 CHANGED BUSINESS POLICIES

(3) BECOME OF COMMUNITY OF DISTINCTION

BUSINESS DEVELOPMENT



Project Type	Opened March	Opened FY 10/11	Active
Projects	10	39	70
Leads	16	78	56
General Assistance	5	35	12

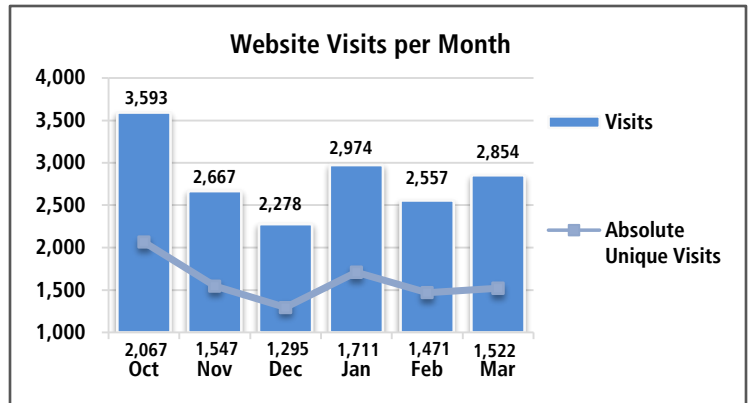


COMPETITIVE BUSINESS ENVIRONMENT

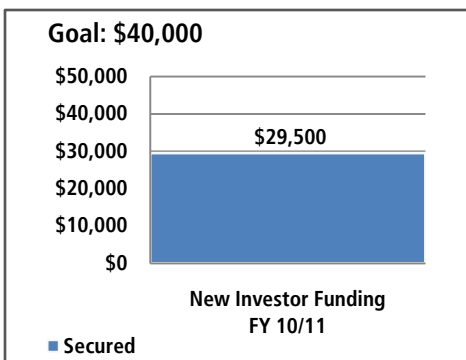
Policy Development	Level 1	Level 2	Total
Identified	8	7	15
Hold	1	0	1
Dropped	2	0	2
Selected	5	7	12
In Process - EDC	2	1	3
In Process - Partner	0	1	1
Completed / Changed	3	5	8

*Level 1: Significant Business Environment Change
*Level 2: Supportive Business Environment Change

MARKETING AND COMMUNICATIONS



RESOURCE DEVELOPMENT



Investor Recruitment	FY 10/11
Contacted	52
New Investors	11
Upgraded Investors	2
Verbal Commitments	1

COMMUNITY OF DISTINCTION

Brevard County Accolades Received	
WORKFORCE	
#3 – Palm Bay-Melbourne-Titusville - Nation's 100 largest metropolitan areas in percentage of workforce with jobs tied to products sold overseas, Brookings Institute, 2010	
#1 – Palm Bay-Melbourne-Titusville - Most concentrated high-tech economy in Florida, Milken Institute, 2010	
#15 – Palm Bay-Melbourne-Titusville - Most concentrated high-tech economy in the U.S., Milken Institute, 2010	
#8 – Palm Bay-Melbourne-Titusville - Top 100 U.S. Tech Centers, <i>BizJournals</i> , 2009	
EDUCATION	
FIT – One of the nation's top doctoral universities for 20 consecutive years, U.S. News & World Report, 2010	
#2 – Brevard Public Schools - Educational Excellence, FL Department of Education, 2009	
QUALITY OF LIFE	
#11 – Palm Bay – America's Most Innovative Cities, <i>Forbes</i> , 2010	
#2 – Indialantic – America's Most Romantic Cities, Korbel consumers poll, 2009	
ECONOMIC VITALITY	
<i>Pursuing</i> – Top 10 - 2010 "Top Deals of the Year," <i>Site Selection</i> magazine, Q1 2011	
<i>Pursuing</i> – Top 10 - 2010 "Top Metros," <i>Site Selection</i> magazine, Q1 2011	

* Job numbers provided by companies

Active Client Projects as of March 31, 2011

Project Number	Project Type	Lead From	Industry Type	Industry Cluster	Capital Investment	Jobs	Wages
(07/08) 7-3-23-E	Existing Industry	EDC Relationship	Manufacturer	Emerging Technologies	\$18,200,000	269	\$55,900
(09/10) 11-1-2-RE	Recruitment	Coalition Partners	High Tech	Military		100	
(09/10) 1-2-10-E	Existing Industry	EDC Relationship	Manufacturer	Aerospace	\$6 Million	50	\$46,000
EDC-1003106	Recruitment	EFI	Manufacturer	Communications	\$2,000,000	85	\$55,000
EDC-1003115	Recruitment	Other	High Tech	Emerging Technologies	\$1.4M (1st Yr) \$55.5M (2nd Yr) \$48.5M (3rd Yr)	300	\$70,000
EDC-1005142	Existing Industry	Trade Show	Manufacturer	Aerospace	1,500,000	50	\$45,852
EDC-1005143	Recruitment	Referral	Manufacturer	Aerospace	\$6,000,000	55	\$62,500
EDC-1005145	Recruitment	Developer/Broker	Manufacturer	Emerging Technologies		30	\$31,200 - \$41,600
EDC-1006153	Recruitment	EDC Investor	High Tech	Aerospace			
EDC-1007160	Recruitment	Coalition Partners	Manufacturer	Aerospace	\$24,000,000 - \$30,000,000	400	\$45,564
EDC-1007163	Existing Industry	EDC Relationship	expansion	Aerospace	\$1,680,000	10	\$37,000
EDC-1008170	Existing Industry	Coalition Partners	Manufacturer	Electronics		15 to 20 FT & PT	
EDC-1009174	Recruitment	Other	Manufacturer	Other	2310000	30	\$80,000
EDC-201010-103	Recruitment	EFI	Manufacturer	Military			
EDC-201010-104	Existing Industry	Coalition Partners	Service Provider	Other	\$390,000	130	\$27,000 - \$32,000
EDC-201012-114	Recruitment	Website	Manufacturer	Aerospace			
EDC-201101-117	Recruitment	Website	Distributor	Other	\$900,000	20	\$40,000 - \$120,000
EDC-201101-120	Existing Industry	Coalition Partners	Manufacturer	Other	\$900,000	18	\$44,222
EDC-201101-121	Recruitment	Repeat Client	Manufacturer	Emerging Technologies			
EDC-201102-124	Recruitment	EFI	Manufacturer	Other			
EDC-201102-128	Recruitment	EDC Investor	Manufacturer	Other	\$1,500,000	40	\$31,200
EDC-201102-131	Recruitment	Other	Manufacturer	Military	\$1,000,000	15	\$35,000
EDC-201103-132	Recruitment	Coalition Partners	High Tech	Advanced Security	\$25,000		
EDC-201103-133	Existing Industry	Coalition Partners	Distributor	Electronics		8	\$45,000
EDC-201103-134	Existing Industry	Other	expansion	Other		15-Oct	\$50,000
EDC-201103-135	Recruitment	EFI	Manufacturer	Emerging Technologies		150	\$45,834
EDC-201103-136	Recruitment	Website	High Tech	Other	500000		
EDC-201103-137	Existing Industry	Coalition Partners	Manufacturer	Other	\$7,500,000	150	\$46,000
EDC-201103-139	Recruitment	Other	Service Provider	Other			

EDC is currently working 70 projects of which 29 projects listed above are expected to make decisions by 4th quarter, calendar year 2011.

Policy Development Tracking as of March 31, 2011	Currently Pursuing	Start Date	Estimated Completion Date	Actual Completion Date
Policy Description				
Level 1				
Depreciation Rate Schedule Study	COMPLETE	Q4 - FY07/08	-	Q2 - FY09/10
Building Permitting Process	COMPLETE	Q4 - FY08/09	-	Q2 - FY10/11
Site Permitting Process	COMPLETE	Q4 - FY08/09	-	Q2 - FY10/11
Renewable Energy Policy	✓	Q1 - FY09/10	Q3 - FY10/11	-
Statute for Economic Emergencies Amendment	✓	Q1 - FY10/11	Q4 - FY10/11	-
Level 2				
Industry Council assisting Brevard Public Schools (BPS) in development of curriculum for the new Heritage High Manufacturing Academy	COMPLETE	Q1 - FY09/10	-	Q3 - FY09/10
Help implement AVT Program for City of West Melbourne	COMPLETE	Q2 - FY09/10	-	Q4 - FY09/10
Spaceport Commerce Park Revised Restrictive Covenants	✓	Q2 - FY 08/09	Q3 - FY 10/11	-
Foreign Trade Zone (FTZ) Associated Site Framework (ASF) Designation Support	COMPLETE	Q1 - FY09/10	-	Q2 - FY09/10
AVT Rescinding Language Change	COMPLETE	Q3 - FY 08/09	-	Q1 - FY09/10
West Melbourne Brownfield Program	COMPLETE	Q4 - FY08/09	-	Q1 - FY09/10
Establishment of one additional municipal Brownfield district	✓	Q1 - FY10/11	Q3 - FY10/11	-