

SPACE FLORIDA



**Space Florida
Board of Directors Meeting**

February 5, 2013



DoubleTree
Florida Room
101 South Adams Street
Tallahassee, FL 32301



**Board of Directors Meeting
Agenda**

February 5, 2013

9:00 AM Eastern Daylight Time

Call-in Number: 888-204-5987

Guest Code: 4503386 #

DoubleTree

Florida Room

101 South Adams Street

Tallahassee, FL 32301

Agenda Items	
Call to Order and PLEDGE OF ALLEGIANCE 9:00 AM	Frank DiBello
Roll Call	Emma Newsham
Welcome & Introductions	Frank DiBello
Public Comments	Frank DiBello
Business Before the Board	
1. Board of Directors Interim Vice Chair	Frank DiBello
2. Approval of Minutes	Frank DiBello
• October 30, 2013	
3. Audit Committee & Governance Committee Reports	Frank DiBello, Denise Swanson
• Interim Financials 12/31/2013	
4. Contracts/Business Development/Projects Activities	Frank DiBello, Howard Haug
President's Report	Frank DiBello
Near Term – Upcoming Events:	Frank DiBello
• Florida Space Day, March 12, 2014, Tallahassee, FL	
• AUVISI, May 12 – 15, 2014, Orlando, FL	
• 30th Space Symposium, May 19-22, 2014, Colorado Springs, CO	
• Space Florida Board Meeting, May 21, 2014 Palm Beach, FL	
Closing Remarks / Adjournment	



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Draft Minutes of a Regular Meeting of the Space Florida Board of Directors

A regular meeting of the Space Florida Board of Directors was held October 30, 2013 at the Biltmore Hotel in Miami-Coral Gables, Florida.

Board Members Present:

Jesse Biter
Hayden Dempsey
William Dymond, Jr.
Danny Gaekwad
Belinda Keiser
Henry Rodriguez
Hal Valeche

Space Florida Staff:

Frank DiBello
Howard Haug
Denise Swanson

Agenda

- I. Welcome and Introductions
- II. Approval of Minutes
- III. Business Before the Board
 1. Governance & Compensation Committee Report
 2. Public Comments
 3. Audit & Accountability Committee Report
 4. Contracts/Business Development/Projects Activities
 5. Resolution
- IV. President's Report
- V. Near Term – Upcoming Events
- VI. Closing Remarks and Adjournment

A quorum being present, the meeting was called to order at 2:30 pm (EST).

Interim Vice Chair Bill Dymond opened the meeting and welcomed board members.

Approval of Minutes

Jesse Biter made a motion to approve the minutes of the August 7, 2013 Board of Directors meeting, which was seconded by Hal Valeche, and approved unanimously.

Business Before the Board

Governance & Compliance Committee Report

Jesse Biter informed the board that the Governance and Compensation Committee met two weeks ago to address the new rules concerning public comment. The committee proposes a three-minute time period for each member of the public to speak at the beginning of the meeting. Further, the committee recommends that those wishing to speak at the meeting be required to sign up before the meeting. If a group wishes to make a public comment, a spokesperson will be required to speak for the group.

Jesse Biter made a motion to approve the Public Comment and Conduct of Meetings Policy as recommended by the Governance and Compliance Committee, which was seconded by Belinda Keiser, and approved unanimously.

Public Comments

There were no comments from the public.

Audit Committee Report: Financial Statements

Denise Swanson reported that the Audit and Accountability Committee met on October 25 2013. The committee reviewed the 1st Quarter Interim Financial Statements and the audited financial report for the period ended June 30, 2013. The first quarter financial statements for the period ended September 30, 2013 compares approved budget

against actual and projected revenues and expenses for each quarter as well as year-to-date. Swanson reported that Space Florida expects to remain on plan for the remainder of the year and meet its deliverables.

Hal Valeche made a motion to approve the 1st Quarter Interim Financial Statements for the period ended September 30, 2013, which was seconded by Jesse Biter, and approved unanimously.

Swanson presented the audited financial report for the period ended June 30, 2013. Swanson called the board's attention to the Independent Auditor's opinion. Space Florida received an unqualified opinion, otherwise known as a "clean opinion." The additional reports were noted as acceptable. The auditor's management letter addresses a number of compliance requirements and states that Space Florida is in compliance with applicable requirements.

Hayden Dempsey made a motion to approve the issuance of the annual financial statements for the period ended June 30, 2013 and 2012, which was seconded by Hal Valeche, and approved unanimously.

Contracts, Business Development and Project Activities

Howard Haug presented ten items requiring board approval. The first action item concerned Space Florida's contribution match to the Florida Space Research Program. One of Space Florida's performance metrics requires the organization to support research in aerospace and aviation. To satisfy this requirement, Space Florida contributes \$100,000 and the Florida Space Grant Consortium contributes \$250,000 to a joint venture. The Florida Space Research Program grants awards to universities and commercial entities, which they must match in-kind. Thus, Space Florida's \$100,000 investment is leveraged up to \$700,000 in targeted research.

Hal Valeche made a motion to approve management and related contracts activities in the amount of \$100,000 for the Florida Space Research Program, which was seconded by Jesse Biter, and approved unanimously.

Item two was a request to assist the Titusville-Cocoa Airport Authority in its pursuit of a FAA Spaceport Site Operators License. By statute, Space Florida is required to promote and facilitate launch activities within the state by assisting commercial launch operators in gaining this authorization. The license will cost approximately \$550,000 to obtain, and Space Florida has offered to provide 50% of the funding need, \$275,000. The Economic Development Commission of Florida's Space Coast will reimburse Space Florida \$137,500 at a later date.

Belinda Keiser made a motion to approve management negotiations and related contract activities in the amount of up to \$275,000 for this effort, which was seconded by Jesse Biter, and approved unanimously.

The third contract item involved the Spaceport Master Plan. Space Florida's board of directors approved the overarching statewide document for 2013 at its meeting in May 2013. Once approved, sub-plans were completed, including the sub-plan specific to the Cape Canaveral Spaceport Complex. This sub-plan guides state infrastructure funding for the Cape Canaveral Spaceport based on market facing analysis.

Hal Valeche made a motion to approve the Cape Canaveral Spaceport Complex Master Plan 2013 and approval for management to make minor technical corrections to the document as necessary, which was seconded by Jesse Biter, and approved unanimously.

Haug indicated the next three items were Florida Department of Transportation (FDOT) related actions, as described in conjunction with the 2010 Amended Spaceport Master Plan which was just superseded by the board's approval of the 2013 plan and its sub-plans.

The first of the three projects concerns the Jacksonville Aviation Authority Cecil Field Project. Space Florida intends to secure funding from FDOT in the amount of up to \$1.8 million to fund the design and construction of a Space Vehicle Assembly and Hangar Facility at Cecil Field Spaceport. This funding will require a dollar for dollar match in the respective real property from the tenant of the facility, which will be discussed in the next action item.

Henry Rodriguez made a motion to approve management negotiations and related contract activities with FDOT in the amount of up to \$1.8 million for this effort, which was seconded by Hal Valeche, and approved unanimously.

With initial funding for the Cecil Field Space Vehicle and Hangar Facility just approved, Space Florida and Jacksonville Aviation Authority intend to design and build a 25,000 square foot space vehicle assembly hangar to serve as the initial base of operations for Generation Orbit Launch Services. It is anticipated that the facility will cost approximately \$3.6 million, including the dollar for dollar investment match. Cecil Field Spaceport will own the facility. This project is expected to generate about 28 short-term jobs and 32 high-wage aerospace jobs.

Jesse Biter made a motion to management negotiations and contract activities with Jacksonville Aviation Authority in the amount of up to \$1.8 million for this project, which was seconded by Hal Valeche, and approved unanimously.

The last FDOT related action item concerned Project 424. Space Florida intends to secure \$700,000 in funding from FDOT to be made available for the design of major infrastructure elements of a heavy/medium lift launch complex to be located at the Cape Canaveral Spaceport Complex. This funding requires a dollar for dollar match. Space Florida is currently finalizing the match commitment for the design and, once finalized, will request further board action for the actual design effort.

Hayden Dempsey made a motion to approve management negotiations and related contract activities with FDOT in the amount of up to \$700,000 for this effort, which was seconded by Jesse Biter, and approved unanimously.

Haug reported that the next three action items were deal related. Project Sullivan was the first action item. Space Florida is interested in participating in an equity investment in a company that is primarily a commercial in-space service provider. Space Florida's investment will be \$500,000 of a \$3.1 million A Round. The funds will be used for specialized external hardware on the International Space Station that will allow the company to expand its overall operations, including into the small satellite launch services market. Concurrent with this investment, the company will begin expanding its presence in Florida, which will solidify Florida's position as the leading ground node to the International Space Station.

Belinda Keiser made a motion to approve management negotiations and related contacts activities to invest \$500,000 in Project Sullivan's A Round, pending successful completions of Space Florida's due diligence, which was seconded by Hayden Dempsey, and approved unanimously.

The next item was related to the Space Tourism and Marketing Funding Expenditures Plan. During its 2013 Legislative Session, Florida appropriated \$1.5 million towards space tourism marketing efforts. Space Florida intends to partner with Visit Florida and Enterprise Florida, Inc. to leverage current marketing efforts. Due to near-term reporting requirements and the possibility of continued funding, it is desirable that funding be fully implemented as quickly and effectively as possible.

Jesse Biter made a motion to approve management negotiations and related contacts activities with various partners and vendors to implement the Space Tourism Marketing Plan in the amount of up to \$1.5 million, which was seconded by Belinda Keiser, and approved unanimously.

The last project related item involved Project Syros. In conjunction with prior board approvals on phases that total \$10 million to date, the next and final phase is ready for approval respective to three components described as A) finalizing a Use Agreement with a match requirement with Syros; B) securing an additional \$10 million in FDOT funding for this project; and C) engaging with the selected contractor of record for final phase of construction activities.

Jesse Biter made a motion to approve management negotiations and related contacts activities to reach a Use Agreement with the customer, secure respective funding with FDOT and expand the funding with the selected contractor, which was seconded by Hayden Dempsey, and approved unanimously.

The last contract item is a request for board approval of an Authorizing Resolution and Incumbency Certificate respective to Project Redline. On May 9, 2012 the Space Florida board approved the respective contract activity in the amount of up to \$25 million regarding Space Florida partnering with Project Redline for the purposes of establishing an Engineering Design Center Facility focused on aviation research, development and design. At that time, Space Florida planned to finance \$18.2 million, with another \$6 million from the Florida Innovation Fund. Space Florida will finance, build and own the facility. The project is expected to employ 200 engineers and other highly skilled workers with an average salary of \$70,000. Project Redline was announced on November 28, 2012 by Embraer S.A. as an Engineering and Technology Center, located at the Melbourne International Airport. Architectural and engineering work has been completed and the construction contract has been signed. The board is now asked to approve a loan from PNC Bank, N.A., the lending institution for the financing effort, in a principal amount not to exceed \$17.5 million. The board is asked to approve the Authorizing Resolution and Incumbency Certificate which does the following:

- allows Space Florida to move forward as planned on Project Redline, as previously approved by the board;

- secures financing for the building that does not bind the full faith or credit of the State, nor does it create personal liability for any Space Florida board member or employee;
- Authorizes the chair and the president and treasurer to execute on behalf of the board all loan and other project documents and ratifies all actions taken by them before now regarding this project.

Space Florida requests Board approval of the attached Resolution and Incumbency Certificate authorizing Space Florida to (i) participate as borrower under the Loan, (ii) undertake and complete the Project, (iii) lease the facility in accordance with the Sublease, and (iv) execute the Loan Documents and such other documents as necessary for Space Florida to participate as the borrower under the loan and undertake and complete the project.

Tom Wilkes, General Counsel, informed the board that language was added to the Authorizing Resolution and Incumbency Certificate that did not change the nature of the deal. He noted that more findings were added, including a reiteration of the Space Florida mission and the history and background of the project. He went on to review the remainder of the document with the board.

A brief question and answer period preceded the board vote.

Jesse Biter made a motion to approve the Authorizing Resolution and Incumbency Certificate in connection with the loan with some minor modifications as noted by General Counsel, which was seconded by Henry Rodriguez, and approved unanimously with Hayden Dempsey abstaining from the vote.

President's Report

Frank DiBello informed the board that when he joined Space Florida in 2009, one of the first things the organization did was develop a strategic plan. He said they are in the process of developing a new strategic plan to realign the Vision 2020 strategy to better fit the changing aerospace marketplace and intend to involve the board in this process. He will begin the process of sharing information at the next board meeting. DiBello stated that the focus is going to be on next generation markets and space. He said the process will begin with a review of the statutory language. They will then define the market sectors to focus on, determine how to compete in those market sectors, how to execute, and finally the results they expect to achieve through the strategy.

DiBello then told the board that Space Florida is also required by statute to develop a Statewide Spaceport System Plan as well as a Cape Canaveral Spaceport Master Plan. He noted that Space Florida works with several entities around the state to develop these plans to ensure that Florida has the infrastructure in place to compete in the space industry. The plan, as approved by the board today, ensures that the Spaceport provides a positive return on investment to the State and that it is a responsible environmental steward. The plan addresses facilities throughout the state. The plan also outlines the primary market areas that the state is pursuing, including commercial heavy lift, commercial crew and cargo, horizontal launch and landing, new emerging space systems, and expanding the statewide space capacity.

In terms of return on investment, DiBello noted that Space Florida began with a three-year start up phase, and has experienced accelerated growth over the last three years. The organization has created an annual average of 1,760 jobs, representing \$600 million in total labor income. He stated that upon completion, existing contracts will generate an additional approximately 3,340 jobs and \$500 million in capital investment. State return on investment is currently a 1.2 ration, which should grow to 1.7 by 2017.

DiBello stated that to cultivate projects and bring them to fruition, Space Florida staff attends industry events. They recently participated in a mission to Brazil at the invitation of very high-level government and commercial interests to discuss joint venture opportunities. While there, DiBello also visited with 50 local companies and came away with several promising project leads. He noted that the aerospace marketplace is becoming more and more international and collaborative. Finally, DiBello indicated that they are very active with the Commercial Space Flight Federation.

Another statutory requirement of Space Florida is to enter into agreements and to coordinate activities with every federal level agency, as well as state entities. The Governor recently signed an agreement with the government of Israel to support research between Israeli companies and Florida companies. The government-to-government MOU [Memorandum of Understanding] is going to be implemented by Space Florida an organization of chief scientists MATIMOP. DiBello recently signed an executing document one level lower from the MOU signed by the Governor.

DiBello called attention to several upcoming industry events, specifically the next Space Florida board meeting and Space Day, an industry day, in Tallahassee on March 12, 2014. He invited the board to participate in this event.

DiBello concluded his presentation with a video from the Houston Spaceport.

Open Discussion

There was no open discussion.

Near Term – Upcoming Events

Upcoming events include American Society for Gravitation and Space Research, SATCON, MILCON, IAA Heads of Space Agencies Summit, and Space Day. The next Space Florida board meeting is February 5, 2014 in Tallahassee, Florida.

Closing Remarks and Adjournment

There being no further business, Bill Dymond adjourned the meeting at 4:32 pm (EST).

William Dymond, Jr., Interim Vice Chair

BOARD OF DIRECTORS MEETING

October 30, 2013

I, Frank DiBello, the undersigned President of Space Florida, do certify and declare that the attached is an accurate copy of the Minutes as approved by the Board of Directors of Space Florida in accordance with the Bylaws, and recorded in the minutes of the meeting of the Board of Directors held on October 30, 2013, and not subsequently amended or modified.

Frank A. DiBello, President

Space Florida
Total Compiled Statement of Revenues and Expenses
For the Six Month Period Ending December 31, 2013
Unaudited
In 000's

	Total budget	1st Qtr Actual	2nd Qtr Actual	Committed	Total Actual and Commitments	Budget Remaining
Operations Revenues						
State Appropriated Revenue, Ops	\$ 12,500	\$ 3,125	\$ 3,125	\$ 6,250	\$ 12,500	\$ -
Other Revenue	2,473	374	632	1,070	2,077	\$ 397
Total Operations Revenues	\$ 14,973	\$ 3,499	\$ 3,757	\$ 7,320	\$ 14,577	\$ 397
Operations Expenses						
Salaries & Other Related Costs	\$ 4,534	\$ 874	\$ 968	\$ 2,203	\$ 4,045	\$ 489
Contract & Subcontract Services	3,055	775	636	1,610	3,021	35
Operating, General & Administrative	1,801	243	345	528	1,116	685
Utilities & Maintenance	2,348	414	412	836	1,662	686
Business Recruitment/Investment	2,728	147	115	653	915	1,812
Travel & Entertainment	508	87	94	190	371	137
Total Operations Expenses, no depreciation	\$ 14,973	\$ 2,541	\$ 2,569	\$ 6,019	\$ 11,128	\$ 3,845
Change in net assets due to Operations	\$ 0	\$ 958	\$ 1,188	\$ 1,302	\$ 3,448	



Space Florida Board of Director Meeting
February 5, 2014
Contracts for Approval

1. **Project Expanse:** Project Expanse is a multi-tenant office building to be built at the Pensacola Technology Campus development in Pensacola, FL. Space Florida management has been in active discussions with potential tenants over the past several months and has secured letters of intent from potential tenants to be located in the building. Taken together, these tenants will require approximately 65,000 – 75,000 square feet of space, with the proposed anchor tenant being a leading aerospace company from the Pensacola region. Other tenants would be a mixture of institutions of higher education, and economic development service providers, thereby helping Space Florida to fulfill its statutory duties of partnering higher education and economic development entities to grow cooperatively in support of the state's aerospace industry.

The Pensacola Technology Campus is a nine-acre site located just outside downtown Pensacola; the land is owned by the Pensacola Industrial Development Corporation, which has installed roadway and utility infrastructure. It is located in very close proximity to restaurants, hotels and business services needed to help companies grow in the area. Additionally, the Institute for Human and Machine Cognition (IHMC) is located two blocks south of the Technology Campus, allowing tenant companies opportunities to partner with a growing research institution with world-class capabilities in several technology areas. By constructing and owning the first building in the Technology Campus, Space Florida will support the growth of the Pensacola area's up-and-coming technology sector.

- *Space Florida management requests Board approval for the Memorandum of Understanding between Space Florida, the Pensacola Industrial Development Corporation as landowner/land lessor, and prospective tenant organizations. The MOU is intended to outline the intentions and obligations of each party in moving forward with the project.*

2. **The Center for Microgravity Research and Education:** The Center for Microgravity Research and Education ("The Center") was established by joint funding from the University of Central Florida (UCF) and Space Florida. The purpose of The Center is to conduct microgravity experiments through a variety of methods including ground-based laboratory experiments, experiments on board parabolic microgravity airplane flights, drop tower experiments and suborbital rocket flights. The Center is intended to attract new investment to Florida and increase opportunities for funding from NASA and other federal agencies in efforts to increase Florida's per capita share of federal as well as future microgravity research and technology development activities. Space Florida intends to sponsor \$384,000 in support of ongoing activities.

- *Space Florida requests approval for management negotiations of related funding and contracts activities in the amount of up to \$384,000.00 with UCF for the above-referenced effort.*